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Cypriots Disagree At Talks

Denktash Says He May Retract Concessions

By Andriana Ierodiakonou
International Herald Tribune

UNITED NATIONS, New York — Rauf Denktash, the Turkish Cypriot leader, said Sunday that he would withdraw concessions that he has made to achieve a Cyprus settlement and go back to negotiating "from square one" unless President Spyros Kyprianou agreed to sign a prepared draft document.

Mr. Denktash delivered his statement at the start of a last-minute attempt on the fourth day of talks in New York, by the United Nations Secretary-General, Javier Pérez de Cuellar, to avert a collapse of a summit meeting with Mr. Kyprianou.

The two Cypriot leaders started their first face-to-face meeting since 1979 on Thursday to negotiate the establishment of federal rule to end the partition of Cyprus.

The island has been split since Turkey invaded the north of Cyprus in 1974 after a coup was instigated by the Greek military junta of the time against the government of Archbishop Makarios.

According to officials close to the talks, the secretary-general was trying to persuade the two sides to adjourn the meeting, and call a second round at a later date, possibly in March. But Mr. Denktash's statement placed in doubt whether the talks could be resumed on the same basis.

"A future meeting will have to be a new round for renegotiating everything from square one," Mr. Denktash said on his way to a final session of bargaining. Mr. Pérez de Cuellar was scheduled to leave for Europe late Sunday afternoon, setting an effective deadline on the talks.

Mr. Kyprianou agreed to attend the meeting with Mr. Denktash last November after the Turkish Cypriot leader dropped a demand for an alternative Greek Cypriot and Turkish Cypriot presidency in a future federal Cyprus republic.

He also offered to give up about 8 percent of the 37 percent of Cypriot territory occupied by Turkish troops for 10 years, his best territorial offer so far to the Greek Cypriots.

The concessions were understood to have been urged by President Ronald Reagan through Ankara. The United States is actively involved in the present UN peace effort for Cyprus, in the hope of easing tensions between Greece and Turkey. Problems between the two are disrupting the North Africa.

(Continued on Page 2, Col. 3)



President Reagan took the oath of office Sunday for his second term, in a ceremony at the White House. Chief

Justice Warren E. Burger of the Supreme Court administered the oath as Nancy Reagan held the Bible.

Associated Press International

Reagan, Arms Team Will Meet to Review Options

By Bernard Gwertzman
New York Times Service

WASHINGTON — President Ronald Reagan in the first substantive meeting of his new term, will review arms control positions Tuesday morning with his new team of negotiators, a White House official said.

The meeting is meant to dramatize the president's commitment to progress in arms control negotiations in his second four years in office, the official said Saturday.

He said Mr. Reagan has asked his three new negotiators — Max M. Kampelman, former Senator John G. Tower, and Maynard W. Glitman, who were appointed Friday — to attend a meeting with Secretary of State George P. Shultz, Defense Secretary Caspar W. Weinberger, Robert C. McFarlan, the White House national security adviser, and other top aides.

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John G. Tower



Max M. Kampelman

further instability. The Russians have said that unless it is stopped, meaningful arms control agreements are impossible.

In the article, the authors say that they favor seeking arms control accords with the Russians but that the talks are unlikely to produce many results. The article was prepared by Mr. Kampelman, Zbigniew Brzezinski, national security adviser to President Jimmy Carter, and Robert Jastrow, a Dartmouth University professor.

Mr. Kampelman, a lawyer who led the American delegation to East-West negotiations in Madrid

that produced a Stockholm conference on security measures in Europe, was Mr. Shultz's choice for the job, a State Department official said.

The magazine article says Soviet compliance with arms control accords is "sufficiently troubling to warrant skepticism regarding the likelihood of implementing any such complex and far-reaching agreement."

Finally, it says, "a comprehensive and genuinely verifiable agreement, limiting both qualitatively and quantitatively the respective strategic forces, on earth and in

space, will require a much more felicitous political climate than currently exists."

"Negotiations may lead to such improvement, but in the setting of intense and profound geopolitical rivalry, how realistic is it to expect in the near future accommodation sufficient to generate the political will essential for a genuine breakthrough in arms control negotiations?"

"The mere mention of Afghanistan, Nicaragua, Sakharov and Soviet violations of the humanitarian provisions of the Helsinki Final Act dramatize the depth of the problem," the article says.

"There may be no direct negotiating linkage between these acts of 'sovereignty and arms control,'" it adds, "but their political interaction is evident."

One of the factors in persuading Mr. Weinberger and the president to support Mr. Kampelman, a White House official said, was Mr. Kampelman's support for Mr. Reagan's views on the military.

Mr. Kampelman, a Democrat, has supported a strong American military, and was co-founder of the Committee on the Present Danger, which was formed in opposition to such complex and far-reaching agreements.

The White House official said the administration was aware that Mr. Kampelman had written the article with Mr. Brzezinski and Mr.

(Continued on Page 2, Col. 1)

Paris Recalls Aide After Indian Paper Links French Envoy to Spy Network

By Sanjoy Hazarika
New York Times Service

NEW DELHI — The French Ministry of External Relations announced Sunday that it has recalled to Paris a deputy military attaché at its embassy here after an Indian newspaper reported that a senior French diplomat was involved in a spying ring that funneled secrets to the U.S. Central Intelligence Agency.

The report by the Indian Express newspaper was the first specific reference to the involvement of a foreign intelligence agency in the case. A U.S. Embassy official declined to comment on the alleged CIA connection, saying that the Reagan administration's policy was not to speak on intelligence issues.

The only French deputy military attaché in New Delhi is Colonel Alain Bolley. He was still in the city on Sunday night, but the Press Trust of India reported that he was leaving India immediately.

INSIDE



Senator Robert J. Dole says U.S. Senate Republicans will not call for a freeze on military spending. Page 9.



President François Mitterrand, right, and Edgard Pisani, the special French envoy to New Caledonia, tasting fresh coco-

nut milk offered by Nomela Medenon, center, chief of the Mea-Barba tribe, during Mr. Mitterrand's 12-hour visit.

U.S. Stops Talks With Nicaragua

By Philip Taubman
New York Times Service

WASHINGTON — The United States has suspended negotiations with Nicaragua, according to senior Reagan administration officials. They asserted that the Managua government is not showing interest in serious exchanges.

The decision to suspend the talks, administration officials said Friday, ends any immediate hope for a diplomatic solution to tensions between the United States and Nicaragua. But, they said, the breakdown in talks does not mean the United States will turn to direct military pressure on Nicaragua.

Although U.S. diplomats had recently told other Central and South American nations that the talks could eventually resume, administration officials said the chances were remote.

Suspension of the talks, coupled with the announcement by the State Department on Friday that the United States would not participate in further proceedings before the International Court of Justice in The Hague regarding Nicaraguan charges of U.S. aggression, appeared to signal a hardening of administration policy toward the Sandinists.

The U.S. officials said that the U.S. ambassador to Nicaragua, Harry E. Bergold Jr., had told Nicaraguan leaders of the decision Thursday.

In Managua on Friday, Nicaragua's deputy foreign minister, Victor Hugo Tinoco, confirmed the suspension of the talks and called "absurd" the U.S. assertion that Nicaragua is not serious about negotiations.

He said that Nicaragua proposed on Wednesday that another negotiating session be held on Jan. 24.

Mr. Tinoco accused the Reagan

(Continued on Page 2, Col. 4)

Paris Seeks to Extend Nouméa State of Emergency

The Associated Press

PARIS — President François Mitterrand said Sunday that he would call a special session of the National Assembly in the next few days to adopt a law prolonging the state of emergency in New Caledonia.

In a television address hours after returning from a 12-hour visit to the French-administered Pacific island, Mr. Mitterrand said he had asked Prime Minister Laurent Fabius to take the necessary measures "to maintain the role and strategic presence of France in this region of the world."

Among those measures, he said,

were those concerning "the necessary installations for the reinforcement of the military base at Nouméa," the capital.

Edgard Pisani, the special envoy sent to New Caledonia to deal with the violence that arose after the Nov. 18 elections for a Territorial Assembly, declared a state of emergency Jan. 12 after riots erupted in Nouméa to protest the killing of a white settler.

Tension has been high on the island, where many native Melanesians want independence from France and most of the white European settlers. Asians and Polynesians want to remain under French

administration. Nineteen people have died in political violence in the past two months.

Under French law, a state of emergency can be invoked for only 12 days. An act of parliament is required to extend it.

■

Little Sign of Progress

Richard Bernstein of The New York Times reported earlier from Nouméa:

There was little sign that Mr. Mitterrand's talks with groups for a referendum on independence for July would remain in place. He did not say, however, how the opposition of white European settlers to the referendum would be surmounted.

The most conspicuous result of Mr. Mitterrand's visit may have been the occasion it offered to anti-

(Continued on Page 2, Col. 7)

Algeria	6.00 Dr.	Ireland	13.50 Norway
Angola	1.50 Dr.	Iraq	7.00 N.I.
Argentina	0.50 Dr.	Italy	1.50 New Zealand
Armenia	45.00 Fr.	Japan	4.50 Italy
Aruba	5.00 Fr.	Kenya	1.60 Italy
Australia	1.20 Dr.	Lebanon	1.00 Italy
Austria	1.20 Dr.	Liberia	0.10 Italy
Azerbaijan	1.00 Dr.	Madagascar	0.05 Italy
Bahrain	1.00 Dr.	Malta	105 Dr.
Bangladesh	1.00 Dr.	Mauritania	35 Dr.
Barbados	1.00 Dr.	Mexico	1.00 Dr.
Bolivia	1.00 Dr.	Morocco	5.50 Dr.
Bosnia	1.00 Dr.	Myanmar	1.00 Dr.
Bulgaria	1.00 Dr.	Niger	1.00 Dr.
Burma	1.00 Dr.	Nigeria	1.00 Dr.
Burkina Faso	1.00 Dr.	Poland	1.00 Dr.
Burundi	1.00 Dr.	Portugal	1.00 Dr.
Cambodia	1.00 Dr.	Qatar	1.00 Dr.
Cameroon	1.00 Dr.	Russia	1.00 Dr.
Canada	1.00 Dr.	Rwanda	1.00 Dr.
Central African Republic	1.00 Dr.	Saudi Arabia	1.00 Dr.
Chad	1.00 Dr.	Singapore	1.00 Dr.
Chile	1.00 Dr.	Sri Lanka	1.00 Dr.
China	1.00 Dr.	Sudan	1.00 Dr.
Croatia	1.00 Dr.	Togo	1.00 Dr.
Cuba	1.00 Dr.	Tunisia	1.00 Dr.
Cyprus	1.00 Dr.	Uganda	1.00 Dr.
Czechoslovakia	1.00 Dr.	U.S.S.R.	1.00 Dr.
Denmark	1.00 Dr.	Yemen	1.00 Dr.
Djibouti	1.00 Dr.	Zambia	1.00 Dr.
Egypt	1.00 Dr.	Zimbabwe	1.00 Dr.
El Salvador	1.00 Dr.		
Eritrea	1.00 Dr.		
Estonia	1.00 Dr.		
Finland	1.00 Dr.		
France	1.00 Dr.		
Germany	1.00 Dr.		
Greece	1.00 Dr.		
Guinea	1.00 Dr.		
Haiti	1.00 Dr.		
Honduras	1.00 Dr.		
Iceland	1.00 Dr.		
Iraq	1.00 Dr.		
Ireland	1.00 Dr.		
Italy	1.00 Dr.		
Japan	1.00 Dr.		
Kenya	1.00 Dr.		
Khazakstan	1.00 Dr.		
Liberia	1.00 Dr.		
Lithuania	1.00 Dr.		
Madagascar	1.00 Dr.		
Maldives	1.00 Dr.		
Mali	1.00 Dr.		
Moldova	1.00 Dr.		
Mongolia	1.00 Dr.		
Morocco	1.00 Dr.		
Mozambique	1.00 Dr.		</

South Africa May Have Hired U.S. Atomic Reactor Operators

By Rick Atkinson
Washington Post Service

WASHINGTON — South Africa's state-owned power company is suspected of having recruited as many as 40 American atomic reactor operators who may be working in South Africa in violation of U.S. nuclear nonproliferation laws, according to U.S. officials and congressional sources.

The operators, some of whom are thought to have worked for the Tennessee Valley Authority and for private U.S. utilities, apparently were hired by South Africa's Electricity Supply Commission.

The South African commission reportedly promised them tax-free salaries as high as \$10,000 a year, free housing, free transportation to South Africa and guarantees of Monday-through-Friday day shifts at a new nuclear plant near Cape Town, according to a congressional source.

U.S. law requires authorization from the secretary of energy before any U.S. citizen "directly or indirectly" helps certain nations, including South Africa, produce plutonium, a reactor byproduct that can be used to make nuclear weapons.

Nuclear reactor operators control various plant systems, and plutonium is a byproduct of the plant's nuclear reaction.

South Africa has refused to sign the Nuclear Nonproliferation Treaty. There is widespread suspicion within the U.S. government and elsewhere that South Africa is developing or has built nuclear weapons.

Energy Department and State Department officials confirmed that they were investigating whether the U.S. citizens in South Africa broke the law, which carries a maximum penalty of 10 years in prison and a \$10,000 fine.

Officials said they are not certain whether the Americans were recruited directly by the South African Electricity Supply Commission, or whether the South Africans violated laws by hiring them.

A spokesman for the South African Embassy in Washington said that Ambassador Bernardus G. Fourie was out of town and that the embassy would not have any comment.

Meanwhile, a State Department official said: "We don't know exactly what all of the Americans are doing. We don't have a fix on the numbers, but we are in touch with the South African government. We don't have any evidence of a willful violation of law. We haven't made that determination yet."

U.S. authorities said they hope the operators will identify themselves voluntarily. If they don't, "the extradition agreement between us and South Africa would cover this," an Energy Department official said.

"We obviously can't go into their plants and point out the Americans," another State Department official added. "The word has gone out through ESCOM, and some have come forward," he said, referring to the operators. He added, "If they are outside the law, then they must stop work immediately. But it's not a question, as far as we know at this point, of their being in sensitive nuclear areas like nuclear weapons."

In addition to identifying the Americans and their duties, U.S. officials are trying to determine when the operators began working in South Africa. The law requiring official authorization was enacted in February 1983, and anyone working there earlier may be excluded. However, a congressional source said that at least 11 of the operators are thought to have gone to South Africa within the last year.

An official said the issue surfaced in November, apparently when officials at the U.S. Embassy in South Africa heard that unauthorized Americans were working for the South African commission's French-built Koeberg reactor, which opened in 1984. A second reactor is scheduled to begin operation this spring.

Ian McLeod, a spokesman for the federally owned TVA, said of its operators, "I understand that some have left for South Africa, but I have no idea how many or how many followed through."

"It's a general consensus that our operators are pretty well trained and are generally sought after by other utilities, and I couldn't rule out South Africa."

Of 265 operators licensed to work at TVA's reactors since 1973, 56 have resigned. Mr. McLeod said that starting pay for licensed operators at the Tennessee Valley Authority was \$31,000 a year, and pay for the most senior operators is capped at \$52,000.

Energy Department officials, led by Carlton E. Thorne, director of the its politico-military security affairs division, are planning to brief some members of Congress this week.

On Friday, Representative Edward J. Markey, Democrat of Massachusetts, sent a letter to Energy Secretary Donald P. Hodel requesting "complete information," including classified cables, "about your knowledge or that of any other Department of Energy on the subject."

"It is my understanding," Mr. Markey wrote, "that officials at the Department of Energy, and possibly the State Department, may have known of the activities of U.S. citizens in South Africa for as long as a year but failed to take action to correct this situation."

That allegation "is absolutely not true," a senior Energy Department official said. Three State Department officials also said that they first became aware of the matter late last year.

In September 1983, 13 authorizations were granted to U.S. companies seeking contracts for maintenance and safety work with the South African Electricity Supply Commission. Confidential Energy Department documents show that 10 other requests are pending while members of Congress watch to see what the administration decides.

Under a 50-year agreement signed in 1957 as part of the "atoms for peace" program, the United States helped build South Africa's Safari-1 research reactor in the early 1960s.

However, further assistance, including supplies of enriched uranium needed for reactor fuel, was suspended in 1975 because of South Africa's refusal to sign the Nuclear Nonproliferation Treaty.

WORLD BRIEFS

Israel Starts Withdrawal Preparations

TEL AVIV (Reuters) — Israeli troops began dismantling equipment Sunday in preparation for the first stage of withdrawing from southern Lebanon, an Israeli military spokesman said.

"We're not waiting," the spokesman said. "From today we begin taking apart and removing equipment that on Feb. 19 there will not remain any Israeli soldier or equipment in the phase-one area."

A week ago, the Israeli government decided to withdraw its troops from southern Lebanon in three phases. Orders to begin dismantling medical centers, fuel depots, ammunition dumps and storage installations were sent to field units Friday.

In Jerusalem, Brian E. Urquhart, a United Nations undersecretary for special political affairs, conveyed to Yitzhak Rabin, the Israeli defense minister, Lebanon's agreement to resume negotiations on deploying UN troops in the evacuated areas.

Colleagues Reportedly Visit Sakharov

MOSCOW (LAT) — Two former colleagues recently visited Andrei D. Sakharov, the Soviet dissident, at his home in exile in Gorki but a similar visit scheduled for late January has been canceled, according to friends of the Sakharov family.

The trip to see Mr. Sakharov was made in late November by Boris Berezovsky and El'man Pradkin, both physicists from the Physical Institute of the Soviet Academy of Sciences, the family friends said Saturday. Details of the visit were not available.

Two other scientists were authorized to visit Mr. Sakharov in Gorki between now and the end of the month but their trip was canceled without explanation, the sources said. There has been little reliable news on the scientist's fate since he declared a hunger strike last May to protest on the Soviet authorities' refusal to allow his wife, Yelena G. Bonner, to travel abroad for medical treatment.

South Africa Denies Visa to Jackson

WASHINGTON (AP) — South Africa has denied the Reverend Jesse L. Jackson a visa to visit the white minority-ruled country next month after earlier giving permission to make the trip in January.

A February visit by Mr. Jackson is "not opportune" for the South African government, Bernardus G. Fourie, the country's ambassador to the United States, said Saturday in a letter to the civil rights leader. The ambassador did not explain why February is "not opportune."

Mr. Jackson, who led a "counterinaugural" march past the White House on Saturday to protest President Ronald Reagan's policies, said he had not yet seen Mr. Fourie's letter. But he used the demonstration to attack the racial separation policies of South Africa's government and the Reagan administration's low-key "constructive engagement" strategy toward forcing change there. Mr. Jackson also praised the ongoing protests outside South Africa's embassy in Washington.

Sudan Frees Islamic Law Opponents

KHARTOUM, Sudan (AP) — Four men who had been sentenced to death for opposing Islamic law have been released after they recanted and renounced their leader, who has been hanged, Sudanese radio said.

The radio said the four, Tadjuddin Abul-Kazik, Khalil Babiker Hamza, Mohammed Salam Baashar and Abdul-Latif Omar Hassaballa, were released Saturday by a court in Omdurman, across the Nile River from Khartoum, after publicly reading their recantations.

On Jan. 8, the court sentenced the four and their leader, Mohammed Mohammed Taha, 76, to death for "heresy" and distributing leaflets opposing President Gaafar Nimeiri's 1983 decision to impose Islamic law, or *sharia*. Mr. Taha, an Islamic scholar, has opposed strict application of Islamic law, saying the message of the Prophet Mohammed should be updated to meet modern social conditions. He was hanged on Friday after he refused to recant.

For the Record

Prime Minister Karel Willoch of Norway ended a three-day visit to Hungary on Saturday, the Hungarian news agency MTI reported in Budapest.

The Iranian prime minister, Mir Hussein Moussavi, arrived in Ankara on Sunday for a three-day visit. He is to discuss regional problems and ways to expand trade between Iran and Turkey in talks with Turkish officials.

Seventeen members of the leftist guerrilla group GRAPO were arrested Saturday in raids by police in seven Spanish cities, the Interior Ministry said in Madrid.

Mitterrand Seeks to Extend Nouméa State of Emergency

(Continued from Page 1)

independence groups to dramatize their desire to remain French.

As Mr. Mitterrand arrived Saturday morning after a 25-hour flight from Paris, the central square and many streets in Nouméa were jammed with demonstrators protesting what they view as the French government's sympathy with the demands for independence by some groups of native Melanesians, known as Kanaks.

The demonstrators, though mostly European, included Asians, Melanesians and others from the various ethnic groups that live on the island.

Banners that were displayed said: "Mitterrand Traitor" and "Mitterrand: Don't Sell Caledonia to the Russians," the latter reflecting the commonly expressed fear that the forces pressing for independence are pro-Soviet.

■ **Tjibaou to Visit Paris**

Jean-Marie Tjibaou, the Kanak separatist leader, plans to visit France on Wednesday. Reuters reported from Paris, adding that the local government in New Caledonia has denounced the visit.

In a statement released Saturday, Dick Ukewe, president of the anti-independence territorial government elected in November, urged political leaders in Paris not to receive Mr. Tjibaou.

Government officials in Paris refused to comment on press reports that Mr. Tjibaou would meet with the French external relations minister, Roland Dumas.

Greek Tourism Rises 14.6%

The Associated Press

ATHENS — More than six million foreigners visited Greece in 1984, a 14.6-percent increase over 1983, the Greek National Tourist Organization announced Saturday. According to its figures, Britons led the list, at 1,043,563, followed by 864,000 West Germans, 474,845 Americans and 405,907 Frenchmen.

U.S. Suspends Negotiations with Nicaragua

(Continued from Page 1)

administration of having started the talks to help President Ronald Reagan gain re-election. "We are worried," he said, "because there is a policy of cutting off anything that prevents dialogue with Nicaragua."

The Turkish Cypriots want a residual Turkish military force to remain on the island for their security, while the Greek Cypriots want total demilitarization. Mr. Kyriacos also made it clear that the Greek Cypriots would not agree to include Turkey among the guarantors of a settlement, given the original 1974 invasion of Cyprus.

From that point on, the two sides became locked into what proved to be an insoluble argument over the purpose of the New York meeting. Mr. Denktash has been insisting that the two men were called to the meeting to sign an agreement drafted by the UN secretary-general after the end of three rounds of indirect negotiations between the two sides last November.

Mr. Kyriacos, on the other hand, has said that the meeting was called to negotiate and fill in important blanks in the document. To add to the confusion, the document is ambiguously titled, both as a "agenda" and a "preliminary draft" for a joint high-level agreement.

In statements at the end of the third day of talks Saturday, Mr. Perez de Cuellar called the documents a "draft agreement with heavy reservations."

The suspension appeared to harm the prospects for the peace plan, which has been under discussion.

■ **For Reagan, Place in History Depends on Tests of 2d Term**

(Continued from Page 1)

whether Mr. Reagan, who, at the age of 73, took his official oath of office Sunday, will have presidential vigor and command throughout his second term or whether he will be affected by the fatigue and disarray that hobbled some earlier presidents in their second administration.

The political and academic communities will be watching Mr. Reagan's inaugural address on Monday for clues to his intentions for leadership in the next four years.

Some are asking whether he will signal a new burst of presidential activism with a stirring call to action, as Franklin D. Roosevelt did in 1937, or whether he will offer a more subdued and prosaic evocation of peace and prosperity, as Dwight D. Eisenhower did in 1953.

In recent weeks Mr. Reagan's relatively low profile and his willingness to let Senate leaders take the initiative on the budget have invited comparisons with Eisenhower.

"If his inaugural sounds more like Roosevelt in '37 than Eisen-

hower in '53, then we'll know it's the same Reagan we saw at the start of his first term," said David R. Gergen, former communications director for Mr. Reagan.

"I'm not clear whether that fire is still there. There are some people around the president who are content to say, 'If we can just keep what we've got, we'll have a successful second term.' That would be a massive change for Reagan himself. The inaugural will provide a clue on whether he can regain momentum, lay out a plan for the country behind him," Mr. Gergen said.

Second terms have been hard on presidents, even the most respected. Many analysts suspect that Mr. Reagan's second term will be no exception, despite the ease of his re-election.

In his second term, Franklin D. Roosevelt ran afoul of strong congressional opposition to his plans to pack the Supreme Court and revamp the Executive Office of the presidency. Woodrow Wilson saw the Senate reject membership in the League of Nations and spent his waning months physically incapacitated.

Theodore Roosevelt fell into stalemate battles with Congress. After his 1948 victory, Harry S. Truman took his staff to Key West, Florida, for six weeks and had trouble regaining the political initiative.

After his 1964 landslide, Lyndon B. Johnson saw his legislative successes overshadowed by the nation's agony in Vietnam. In a truncated second term, Richard M. Nixon had sour relations with Congress over his refusal to spend money that Congress had appropriated, even before he was forced to resign.

Among recent presidents, Eisenhower alone seems to have emerged moderately well in his second term.

Closely associated with Mr. Reagan contend he can break the pattern. They cite the bipartisan successes of his second term as governor of California. Moreover, Mr. Reagan now enjoys unusually high personal popularity for a modern president just about to begin his second term.

Even opponents credit him with rekindling national pride and patriotism, reassessing traditional values and restoring public confidence in the presidency. Thomas E. Cronin, a presidential scholar at Colorado College, rates Mr. Reagan strongly as "a restoration president."

In the economic field, the 1981 tax cuts, the sharp fall in inflation to 4 percent from 12.4 percent, and the break in the wage-price spiral that some attribute to Reagan's policies, are hallmarks of the Reagan years.

Despite Mr. Reagan's efforts to shrink the size of domestic pro-

grams, federal spending as a percentage of everything Americans spend for goods and services actually rose in his first four years.

Nonetheless, allies and adversaries alike agree that perhaps his major accomplishment has been to punctuate the end of the post-New Deal era by halting the surge of growth and activism in federal programs and shifting the focus of the national political debate to re- government in government.

"When the liberals start looking at the deficit, I think that's a re-volution," said Thomas S. Winter, editor of the conservative weekly *Human Events*.

Yet after his year of legislative triumph in 1981, Mr. Reagan's legislative record has been mixed and he has increasingly left political initiatives to Congress. Since his re-election, he has surprised his own political base with his low profile and by not showing the dynamic, aggressive leadership of 1981.

His 1984 campaign lacked the specific policy agenda of 1980. In his current transition period, he has neither aggressively drawn the defeated Democrats into bipartisan efforts on the budget or tax reform, nor has he pressed his own administration to carry out the austere budget-cutting targets he initially accepted. His efforts stalled on his unwillingness to curb Pentagon spending vigorously.

With the Democrats holding a 70-seat majority in the House of Representatives, as against 51 seats four years ago, and his own Republican Party divided by budding rivalries for the 1988 presidential nomination, Mr. Reagan also has agreed to the belated breakup of his highly effective White House political team just as the early maneuvering with Congress begins.

"In theory, the fifth year of a presidency is an enormous strategic opportunity," Professor Neustadt said. "It's your one and only opportunity in your second term. But that opportunity has been messed up every time by tiredness or ebullience and overconfidence. My guess is that's already happened in this administration and history may be repeating itself."

Later, Mr. Reagan has bristled at suggestions that he has abdicated leadership. Aides say his low profile reflects the normal political cycle of introspection and policy-formulating after an election.

"He's just biding his time," said Robert J. Dole of Kansas, the Senate majority leader.

Gandhi May Visit Moscow

Agence France-Presse

NEW DELHI — Prime Minister Rajiv Gandhi of India will make an official visit to the Soviet Union from May 16 to 19. The Times of India reported Sunday.

In Riyadh

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AMERICAN TOPICS

Happy Trails
In the Boondocks

Sixteen years ago Jefferson Spivey, then 25, an Oklahoman who was writing scripts in Hollywood, took six months off to cross the United States on horseback from west to east, leading a pack mule with supplies. Recently he completed a similar north-south trip along the Continental Divide from Canada to Mexico.

On both trips Mr. Spivey avoided multilane cross-country highways. He found he could travel along abandoned railroad beds running beside crystalline streams, old logging trails, or disused back roads lined with sunflowers, the New York Times reports.

Mr. Spivey concluded that the national highway system creates a sense of freedom, but funnels millions of travelers along fence-choked routes lined with fast-food restaurants and overcrowded national parks.

Although the United States has a number of hiking trails, Mr. Spivey proposes something he calls Freedom Trails, a network linking the more remote national parks with forest and wilderness and off-limits to anything with a gasoline engine.

Keeping Government
At Arm's Length

The state and federal governments are Montana's biggest landowners and biggest employers. Despite the state's vast distances, it adheres to the federal 55-mile-an-hour (about 90-kilometer) speed limit. Governor Ted Schwinden, a Democrat, says candidly, "If you change the speed limit, you lose the federal highway money" about \$120 million a year.

Still, the people of Montana like to keep government at arm's length. Montana is one of eight states that permit the state legislature to meet only every other year. (The others are Arkansas, Nevada, New Hampshire, Kentucky, Oregon, North Dakota and Texas.)

Yearly sessions were tried in 1972 and quickly abandoned. Mr. Schwinden says: "The basic attitude is, 'These guys do enough damage every other year. Let you meet more often, it will just encourage 'em.'"

Hey, Mom,
Got a Light?

CBS and NBC are refusing to broadcast a 30-second television commercial by the American Cancer Society purporting to show an unborn baby smoking a cigarette. ABC is showing it, however, as are local stations all over the United States.

The spot shows a startlingly realistic fetus slowly bringing a cigarette to its delicate mouth. As it inhales and then exhales a lung full of smoke, a woman's voice is saying, "Would you give a cigarette to your unborn child? You do every time you smoke when you're pregnant. Pregnant mother, please don't smoke."

Budget Item:
Waste, Fraud, Abuse

Writing on the defense budget, Bill Keller of The New York Times notes that Con-

Meese Asking U.S. to Pay
\$700,000 in Legal Bills

Washington Post Service

WASHINGTON — The U.S. attorney general-designate, Edwin Meese 3d, is seeking to have the government pay about \$700,000 in legal bills incurred in defending himself during a post-nomination investigation last year, sources have confirmed.

Some Justice Department officials said Friday that they regard the request as excessive and want to challenge it before a special federal court that oversees matters involving the Ethics in Government Act. Other department officials said it is technically appropriate.

Reagan administration policy has been that lawyers who win cases against the government are entitled to fees of no more than \$75 an hour. President Ronald Reagan has supported legislation to set that limit.

Lawyers who successfully defended Mr. Meese during the six-month investigation by an independent counsel, Jacob A. Stein, are seeking as much as \$225 an hour.

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Reagan Criticizes Some Black Leaders

By Bernard Weinraub
New York Times Service

WASHINGTON — President Ronald Reagan has alleged in an interview that some black leaders were "committed politically" to the Democratic Party and had distorted his record to "keep their constituency aggrieved."

"I have to come to the conclusion that maybe some of those leaders are protecting some other good positions that they have," Mr. Reagan said in an interview published Friday, "and they can protect them better if they can keep their constituency aggrieved and believing that they have a legitimate complaint."

"If they ever become aware of the opportunities that are improving," he said, "they might wonder whether they need some of those organizations."

Mr. Reagan, who made his comments in an interview on Thursday with the newspaper USA Today, did not say which black leaders he was talking about.

His blunt comments came as the administration pressed efforts to

reach out to blacks, bypassing the leadership that has long spoken for them.

Asked why blacks voted over-

whelmingly against him in November, Mr. Reagan responded: "May-

be because they weren't told very

much by some of those leaders what we have accomplished and what we have done."

Asked why blacks had not voted

for the Republican Party, Mr. Rea-

gan seemed to blame the black

leadership. He said he tried "in the

very beginning" to reach out to

black leaders. "And I found out,

very frankly, that they are so com-

mitted politically to the opposite

party that they don't want to hear."

He said.

Mr. Reagan's remarks were

promptly denounced by leaders of

several black organizations.

John E. Jacob, president of the

National Urban League, said the

president's statements were "insen-

sive" and "insulting" and reflect-

ed "shocking ignorance."

Benjamin L. Hooks, executive

director of the National Associa-

tion for the Advancement of Col-

ored People, said, "It appears to me that the president is badly misin-

formed about the true state and na-

ture of conditions in the black

community."

The Reverend Jesse L. Jackson,

who unsuccessfully sought the

Democratic presidential nomination

last year, said that Mr. Reagan

"has once again displayed his cal-

lous neglect, disregard and distance

from the reality of life for Ameri-

ca's minority communities."

In the interview, Mr. Reagan ve-

hemently denied that he was insen-

sive to the needs of blacks. "I know

there are a number of leaders of

various organizations," he said, "that

are coming forth all the time

with reports that build this idea,

that somehow we've relegated the

black community to a second-class

status. Well, that's not our intent

and that's not our practice."

His decision came as abortion

clinics across the country tightened

security in response to warnings by

the federal Bureau of Alcohol, To-

bacco and Firearms that the presi-

ential inauguration on Monday

and the anniversary of the abortion

decision could prompt attacks

against the facilities.

There have been 30 bombings or

arson attacks against clinics since

1982. On Saturday, the Federal Bu-

reau of Investigation said that three

suburban Maryland men were ar-

rested and charged in connection

with the bombings of eight abor-

tion facilities in Virginia, Maryland

and Washington, D.C.

Groups that advocate the avail-

ability of abortion criticized Mr.

Reagan's decision to speak to the

demonstration. "It's bad timing,"

said Barbara Radford, executive

director of the National Abortion

Federation in Washington.

Robert Reilly, a special assistant

to the president, said there was no

connection between the violence

and mainstream anti-abortion pro-

testers. "There's no one we know or

deal with in the pro-life movement

who does not deplore the violence

involved there," he said.



RADAR SEIZED — A U.S. Customs Service agent, Alan D. Walls, and state-of-the-art mobile radar system seized Saturday at Los Angeles' international airport. Three Portuguese men were arrested and charged with conspiring to sell \$619,000 in munitions to Iran.

Senate Republicans to Reject Freeze
On Military Spending, Dole Asserts

By Jonathan Fuerbringer
New York Times Service

WASHINGTON — Senate Re-

publicans will not call for a freeze

in military spending in 1986, ac-

cording to the majority leader. This

means they will have to cut deeper

into domestic programs to reach

their goal of reducing next year's

projected budget deficit by \$50 bil-

lion.

A freeze on all spending in 1986,

including the military budget, was

the centerpiece of the Senate Re-

publicans' plans when they began

to discuss ways to cut the deficit

earlier this year. And their leader,

Robert D.ole of Kansas, said Sat-

urday the senators still planned to

slow the growth rate in the presi-

dent's military budget.

Dr. Custodio and other human

rights activists said that the

armed forces panel might be using

the Nicaraguan guerrillas as scape-

goats for abuses committed by

Honduran security forces.

They also said the violence continued

even after General Alvarez's depar-

ture, citing 20 abductions since

March 31.

The accounts offered the first

indication that Nicaraguan rebels

took part in murder and kidnap-

ping in Honduras to disrupt arms

supplies to El Salvador and

Guatemala.

CIA personnel also helped to orga-

nize and advise the Nicaraguan

rebels, leading Honduran human

rights activists to suggest that U.S.

personnel either were aware of the

vigilante activities in Honduras or

helped supervise them.

A U.S. Embassy spokesman said

Saturday afternoon that the United

States was aware of the allegations

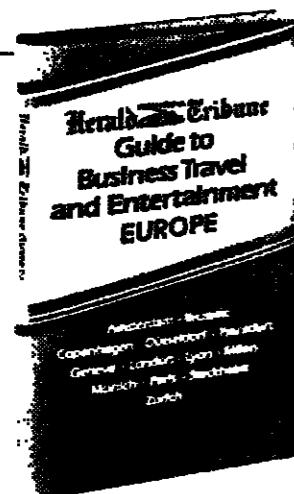
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Exemplary Justice: Lesson of Stacy Keach

In Britain, Even the Rich and Famous Are Going to Jail for Drug Offenses

By Jo Thomas
New York Times Service

LONDON — "The judge who sent my favorite actor, Stacy Keach, to your rat hole of a prison ought to be kicked out," said an angry letter from Syracuse, New York, published in the Friday issue of the Daily Mirror.

"Doesn't he realize how many of your rock groups have been busted over here with a lot more drugs on them, and received only a fine and a slap on the wrist?" continued the letter, signed by Shane Barrett.

Whatever happens in the United States, in Britain celebrities who are convicted on drug charges go to jail.

Even before Mr. Keach, the U.S. actor who was the star of the CBS television series "Mickey Spillane's Mike Hammer," was sentenced Dec. 7 to nine months in prison for bringing cocaine into the country, London was talking about the misfortunes of Peter Theodoropoulos, an heir to a Greek shipping fortune who is better known by the pen name "Taki" in his columns for The Spectator and Vanity Fair.

Mr. Theodoropoulos had been caught at Heathrow Airport with 23 grams (eight-tenths of an ounce) of cocaine and was sentenced in August to four months in prison.

On Dec. 14, he lost his appeal. When he is released, which will be Feb. 26 at the earliest, the government will expel Mr. Theodoropoulos, who has a U.S. passport. He has sold his house in London.

Mr. Keach and his secretary, Deborah Steele, admitted smuggling 36.7 grams of cocaine into Heathrow Airport from Marseille last April. About 34 grams were found inside a can of shaving cream, and the rest was found in a handkerchief in Miss Steele's pocket and in two small vials belonging to Mr. Keach.

In court, Mr. Keach said he had been regularly using cocaine since last January "as a means of trying to alleviate exhaustion, trying to maintain one's concentration."

His attorney said that Mr. Keach's marriage had broken up partly as a result of his arrest, adding: "Mr. Keach has made a fool of himself. He accepts that he has put himself and others at risk, at real commercial risk. He is wholly to blame. He does not seek to shrink from that. He has broken all his links with the drug. He had not touched it from the moment he was stopped. It has been an immensely difficult time."

Mr. Keach now is one of two trustees at the Reading jail and also is a librarian and a lay reader in church. He could be released as early as June 7, and there is speculation that his television series will be revived.

"I don't think he got a rough deal in terms of the British legal system," said Jane Goodson, legal officer for Release, an agency providing legal advice and drug counseling.

"If he had been an ordinary person," she said, "it would have been thought he was involved in a commercial enterprise, and he could have been sentenced to four or five years in prison. But the court obviously thought, 'This is a rich man.'"

She added that "personally, I deplore the sentence and think it was very harsh," but she noted that "there is a strong movement toward deterrent sentences in drugs."

Mr. Keach's appeal of his sentence was rejected Dec. 18, although Miss Steele's three-month jail term was set aside.

Cocaine consumption in Britain has soared in the last two years. Last November, Detective Sergeant Barry Strong of Scotland Yard's drug squad testified in court that U.S. and Italian organized crime chiefs had chosen London as a drug capital because they saw it



Stacy Keach

as an ideal distribution point and the most lucrative market anywhere.

A month before Mr. Keach's sentencing, Lord Lane, the Lord Chief Justice, said the spread of cocaine had to be countered by long prison terms.

Lord Wolfenden, British Social Reformer, Dies

New York Times Service
LONDON — Lord Wolfenden, 78, the man who helped change the way male homosexuals and female prostitutes are treated in Britain, died Friday in hospital.

An educator and social reformer, Lord Wolfenden became a household name in Britain as a result of his chairmanship of a government committee from 1954 to 1957 that investigated male homosexuality and female prostitution.

The Wolfenden report recommended changing the law that made male homosexual acts punishable by imprisonment — lesbianism had never been illegal — and suggested that prostitution, which was not illegal, be allowed to continue.

Lord Wolfenden campaigned vigorously to have the committee's findings put into effect, but his views were considered ahead of the times. It was not until 1967 that the Sexual Offenses Act legalized homosexual acts between consenting male adults in private. The act also forbade prostitutes to solicit on the streets, but allowed prostitution to remain legal.

John Frederick Wolfenden was born on June 26, 1906, in Halifax, Yorkshire, the son of an education official. He attended Queens College, Oxford University, and studied at Princeton University.

He became a philosophy teacher at Oxford and, at the age of 27, became headmaster of Uppingham School in Rutland. He was appointed vice chancellor of the University of Reading in 1950. He retired from that post in 1963 to become chairman of the University Grants Committee. From 1969 to 1973, he was director of the British Museum. He was knighted in 1956 and became a life peer in 1974.

Martin Gershenson, 60, U.S. Reporter, Editor

NEWARK, New Jersey (AP) — Martin Gershenson, 60, an award-winning former reporter, editor and foreign correspondent, died Thursday of lung cancer in Washington.

Mr. Gershenson, who wrote "Destroy or Die — The True Story of My Life," was a 1965 recipient of the Ford Foundation Fellowship in International Reporting. He received the 1967 Ernie Pyle Memorial Award for his Vietnam dispatches.

■ Other Deaths:

Sir Robert Mayer, 105, who

founded a series of children's concerts in the 1920s, has died, his family announced Tuesday in London.

Martin Dzur, 65, a former defense minister in Czechoslovakia. Tuesday, according to a Czechoslovak television report monitored in Vienna.

Jean Colpin, 56, a member of the Politburo of the French Communist Party, Thursday in Paris.

Jerome H. Holland, 69, a former ambassador to Sweden and the first black member of the board of the New York Stock Exchange. Sunday in New York.

The Reverend Nichidatsu Fujii, 99, founder of a modern Japanese Buddhist sect and a peace activist, of heart failure Wednesday. It was reported in Tokyo.

Robert Fitzgerald, 74, emeritus Bayly professor of rhetoric and oratory at Harvard University, whose translations of the Greek classics became standard works for a generation of scholars. Wednesday in Hamden, Connecticut.

AYATOLLAH KHONSARI, 98, an Iranian theologian, Saturday in Tehran, according to an Iranian news agency report.

38 Killed in Air Crash in Eastern China

The Associated Press

BEIJING — A domestic airliner crashed while landing at Jinan airport in eastern China, killing 38 people, according to federal aviation authorities. Two of the dead were Americans, a third British.

The twin-engine, turboprop Antonov-24, built in the Soviet Union, was en route from Shanghai to Beijing when it crashed Friday in Jinan, about 220 miles (356 kilometers) southeast of Beijing. Officials

gave no explanation for the crash. The dead Americans were identified by a government airline official as Donald Bradford Fox, 45, of Nashua, New Hampshire, an engineer for Hollis Automation; and Peter Patrick Barkanic, 27, of Washington, a market development manager for the Beijing-Washington Co., the Chinese news agency Xinhua reported. The identity of the Briton was not confirmed.

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2,000 Deaths of Ethiopia Jews Reported From Sudan Camps

By Judith Miller
New York Times Service

GEDAREF, Sudan — At least 2,000 Ethiopian Jews have died in refugee camps in the eastern Sudan since their exodus from Ethiopia began last spring, according to Sudanese officials and relief workers. It is estimated that 2,000 more have been stranded in the Sudan since the exodus to Israel was suspended this month after publicity about the secret operation.

Some of the Ethiopian Jews were found at a refugee camp in the eastern Sudan last week. One of them described his arduous journey, the deaths of many friends, and his fears about the future.

Relief workers and Sudanese officials said that many Ethiopian Jews, as well as non-Jewish refugees, had died of malnutrition, measles and other diseases. In recent months, about half of the approximately 25,000 Jews in Ethiopia have walked to refugee camps in Sudan, along with hundreds of thousands of other Ethiopians fleeing famine.

The Israeli authorities have said that 10,000 Ethiopian Jews were flown to Israel in Operation Moses, Israel's campaign to save Jews from starvation in Ethiopia by taking them by plane to Israel. The flights were suspended on Jan. 6 when Sudan withdrew its permission for them after Israeli officials confirmed reports of the secret airlift.

At one camp, Umm Rekoba, nearly 1,800 of the 7,000 Ethiopian Jews who arrived last year died there, many of measles, Sudanese officials and relief workers said. In July and August, the camp went without food for three weeks, they said.

Most relief workers praised Israel's goal of rescuing Ethiopian Jews, but they bitterly challenged the portrayal of the effort as a well-planned rescue mission carried out with almost military precision.

One Ethiopian Jew who has not been rescued is Abebe, who asked that he be identified only by his given name. Abebe is a skeleton of a man. His wife, Mulu, and their 6-year-old daughter, Tadela, have chronic diarrhea and stomach pains. Guadi, his 3-year-old son, is too weak to wipe away the flies that cluster around his eyes.

Abebe said there were many, perhaps hundreds, stranded with him in his refugee camp, interspersed among non-Jewish Ethiopian families.

Virtually all the refugee camps in eastern Sudan have been overwhelmed by drought and famine and by the influx in the last few months of 400,000 to 500,000 refugees, mainly from Ethiopia.

Mubarak Voices Concern

President Hosni Mubarak of Egypt described the reported settlement of Ethiopian Jews in the Israeli-occupied West Bank as an "extremely grave" development, United Press International reported.

Upon his return to Egypt from visits to Greece and Italy, Mr. Mubarak said of the airlift of Ethiopian Jews to Israel: "We are intent that this matter should not affect a solution of the Palestinian problem. But if this leads to the settlement of the Ethiopians in the West Bank, it will be an extremely grave matter."

The Reagan administration expressed concern last week over reports that Israel used U.S. aid money to settle the Ethiopian Jews in the West Bank.

9 Million Reported Starving

Lieutenant Colonel Mengistu Haile Mariam, the leader of Ethiopia, said Friday in a broadcast speech that nine million Ethiopians are in a "horrifying condition" due to famine, raising the number of officially estimated drought victims by 125 million since early December, The Associated Press reported from Nairobi.

"They hid their identity and stuck together," a nurse at Umm Rekoba said. "They initially refused medical help."

Relief workers said they did not



VISIT TO CHINA — Mother Teresa, accompanied by an official of the Patriotic Catholic Association of China, arrived Sunday in Beijing. The nun, a Nobel Peace Prize winner, said she hoped that one day she could found a mission in China to aid the poor and sick. She is to meet with government experts on religion during her four-day visit.

Train Bombing Kills 33 in Sri Lanka

The Associated Press

COLOMBO, Sri Lanka — Tamil guerrillas blew up a train en route to Colombo, killing 22 soldiers and 11 civilian passengers and injuring 44, police reported Sunday.

The blast occurred Saturday night as the train passed between the Mankulam and Murukandi stations, 180 miles (290 kilometers) north of the capital, police said. They blamed the explosion on guerrillas fighting for a separate state for the Tamil minority in Sri Lanka's northern province.

A senior government spokesman, who declined to be identified, confirmed that 33 people were killed in the explosion and said that the death toll could run higher because some of the passengers were severely injured.

It was initially reported that 90

soldiers had boarded the train at Kilinochchi, 36 miles south of Jaffna, the capital of the northern province. Kilinochchi is the most northern point to which trains have been running since guerrillas began sabotaging the tracks in recent weeks.

Railroad officials in Colombo said that 11 cars were damaged extensively.

Police at Anuradhapura, 124

miles north of Colombo, said that the 44 injured had been admitted to a hospital there and that the bodies of seven of the dead were at the Anuradhapura Government Hospital.

According to the police, 25 of the

injured were soldiers and 16, including a Buddhist monk, were civilians. The three other wounded

were police officers.

Earlier Saturday, the guerrillas

blew up a road and rail bridge at the approach to the northern Jaffna peninsula. The state radio said that

that would hurt the government's efforts to supply essential food and fuel to the northern Jaffna district, which is populated mostly by Tamils.

East German Soldiers Defect

Reuters

HANNOVER, West Germany — Two young East German soldiers, armed and in uniform, slipped over the heavily guarded frontier into West Germany without injury early Saturday, border police in Lower Saxony said.

Deng Sees Little Risk From Capitalism

U.S. Military Chief Finds Camaraderie in Beijing

By John F. Burns
New York Times Service

BEIJING — Over dinner in an old imperial pavilion here last week, General John W. Vessey Jr., chairman of the U.S. Joint Chiefs of Staff, told the commander of China's 4.2-million-member army that was "good for ordinary soldiers" like themselves to eat the sort of food served to emperors.

The remark brought a smile to the face of Yang Dezhi, a survivor of more than half a century in China's highly politicized armed forces. No less than General Vessey, he knew how much more than common soldiering had brought the two men together at a lakeside pavilion in Beijing.

U.S. officers who spoke to reporters on a background basis said that apart from arrangements for a port call to Shanghai in April by U.S. warships, little of a practical nature was accomplished during the talks. The implication was that the U.S. purpose in making the trip was symbolic, to remind the Soviet Union of the strategic disadvantages it faces as long as its policies make common adversaries in Washington and Beijing.

General Vessey alluded to this in his farewell speech in Beijing when he said that U.S.-Chinese military ties "threaten no third party." It was a point that General Yang passed by in his reply, but U.S. officers said that private discussions left no doubt as to the Chinese commanders' preoccupation with the 50 Soviet divisions stationed along China's northern frontier and with the projection of Soviet military power elsewhere in Asia, notably in Afghanistan, Cambodia and Vietnam.

For the Chinese, having General Vessey in the country had its demonstration value. But behind this lay the pressing concern to modernize Chinese forces. The Chinese have taken stock of their weaknesses and launched a program of arms procurement. In this, they look more than anywhere else to the United States.

Violent Protesters Force Nkomo to Cancel Campaign Stop

Agence France-Presse

CHINHOYI, Zimbabwe — Joshua Nkomo, the main opposition leader in Zimbabwe, canceled a political appearance in this northern farming town Sunday following violent demonstrations by supporters of the ruling Zimbabwe African National Union.

It was the second time in nine days that mob action by ZANU members had prevented Mr. Nkomo from campaigning on behalf of his minority Zimbabwe African People's Union, which is waging an uphill struggle to unseat

ZANU in the first post-independence national elections later this year.

At the town of Banket, 80 kilometers (50 miles) northwest of Harare on the Chinhoyi road, about 1,000 ZANU supporters blocked the road throughout the morning, apparently with the intention of turning back Mr. Nkomo.

Many carried clubs, sticks and axes, and several held up placards denouncing Mr. Nkomo as the "father of dissidents," a reference to the rebel gunmen who have been waging a more violent campaign

against the ruling party. Mr. Nkomo has consistently denied any involvement with the dissidents.

Several policemen stood at the edge of the crowd in Banket but made no attempt to clear the road or prevent the crowd from stopping cars.

In Chinhoyi, about 2,000 ZANU supporters gathered in front of a public hall in which ZAPU supporters were to have met. The crowd broke up after police ordered them to disperse, but numerous groups carrying clubs and sharpened bicycle spokes continued to roam the town for several hours.

In a telephone interview Sunday from his home in Harare, Mr. Nkomo said that he had left for Chinhoyi by car but turned back after his advance party met him on the road and warned him that the town was not safe.

Mr. Nkomo said his security men found the public hall locked and the key unavailable when they arrived and had been advised by them to call off the meeting.

On Jan. 11, an estimated 10,000 ZANU supporters forced Mr. Nkomo to call off a similar campaign appearance in the southern town of Masvingo when they besieged him in the town's police station for several hours and stood his car when he left.

The ZAPU leader has said that he would campaign in all parts of the country despite threats of violence by the ruling party. But on Sunday, Mr. Nkomo said he was rethinking his campaign strategy.

"We will have to sit down and figure out the whole thing again," he said. "But we have to continue somehow."

nuclear power plant. "But the socialist force will become stronger."

Mr. Deng, who was quoted by the official Xinhua news agency, said: "Some people worry that China's open policy might lead to capitalism. If that should come true, it would mean the failure of our policy. We don't think that would happen."

He also said that China's policy of opening to the outside world would not change in this century or in the first half of the next.

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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

A Familiar President

This is a strangely calm moment in Washington. A president was sworn in Sunday, but because he is a second-term president and, more important, because it is Ronald Reagan, there was relatively little sense of drama or excitement. We say this only by way of noting an unmistakable air of familiarity and naturalness to the proceedings, and to the man.

We, all of us, know Ronald Reagan. We know him as an authentic individual personality at peace with his own strengths and limitations, as a man with remarkably little distract- ing pride, bias or bite, and as one who, in his first four years delivered, or at least tried to deliver, what he had promised.

These qualities have not shifted all political debate in the land — far from it — but they have produced a pervasive mood of acceptance of his power. His supporters celebrate it, while most of those who did not support him in November grant the validity of his victory as a victory and not a fluke. This is in its way his biggest triumph of all.

It is worth recalling the tone in Washington four years ago. The president leaving the White House had won respect for some of his personal qualities and accomplishments (history will treat him better in years to come), but the consensus judgment was that he had failed to use the powers of the office decisively and consistently, and it had cost the country.

Who can forget the bittersweet resolution of the hostage crisis during the very moments that Mr. Reagan was taking his oath? He came down from the stand and it was a new situation: The country was hostage no more.

The more serious and creditable thing, however, is that Mr. Reagan has largely sustained this spirit. Some of it, to be sure, he has done with mirrors. Five Americans are hostage today in Lebanon, where Mr. Reagan conspicuously invested and then insouciantly disinvested American prestige; neither for the five nor for the larger policy failure has he been taxed severely. Still, calls for a display of "will and

moral courage" in his words, have faded, chiefly because in the judgment of most people the president has displayed them. He was lucky, but he made a good part of his luck.

Four years ago, too, there was a widespread sense that Jimmy Carter had let a great sickness — inflation — seep through the country.

Inflation was described by a dedicated Re-

Acclamation For a Master Of Illusion

By James Reston

WASHINGTON — Ronald Reagan had not only Washington but the world for his stage this past weekend. In the long history of the theater, no other actor ever had such a chance to play the triumphant Re-

ganite as "the transcendent issue of our times."

It seemed the result not merely of policy

choices and international conditions, but

again of a shortfall of presidential resolve.

Mr. Reagan's economic policies remain, de-

servedly, under sharp attack in many quarters.

Yet it is undeniable that inflation has been

mercifully trimmed and that the substantial

economic and social strains that still bedevil

the United States are more easily handled

within the traditional political context.

Oddly, the president has abdicated the usual

presidential responsibility to stand at the eco-

nomic helm. Given his genial bent for discred- ited economic theory, however, there is a cer-

tain cheer that he is taking a holiday. This is

one of the astonishments of the Reagan presi-

dency: Leadership is there, or seems to be

there, even when it is not hooked up to policy.

Mr. Reagan entered the White House four

years ago very much identified with one end of

the political spectrum. Politically, his achieve-

ment has been to hold most of his original

base, as disgruntled as parts of it may be, while

gaining the acceptance, or at least the toler-

ance, of other quarters.

That he won bigger in 1984 than in 1980 is

the most substantial tribute the system pays to

this kind of performance. It suggests that, as

bitterly as some have opposed him, he has

succeeded in the large purpose of becoming

president of more of the people. This he has

done with an office that, before he held it, was

to be a shrinking cage for its successive

inhabitants. Mr. Reagan has renewed the pos-

sibilities of the presidency.

— THE WASHINGTON POST.

Scorning the World Court

Strictly speaking, there being no world government, there is no such thing as world law. There is no parliament to write the law and no policeman to enforce it. Yet there sits this thing called the World Court, pretending for much of this century not only to adjudicate some disputes between governments but also to define some norms of international behavior and rights of nations, even some individuals. It is a strange but real institution.

The anomaly persists because without the pretense of world law, there can be strictly speaking, no "rights" of the United States or other nations. At the borders where our laws and someone else's laws begin, there is a dangerous legal gap.

The gap can be as thin as a candy-striper guard rail or as wide as an ocean. Whatever its size, the gap is a realm of anarchy, of potential barbarity — except as nations voluntarily write contracts, or treaties, and submit to a higher order. This quest for higher order has been dignified with the name of international law. It, too, is strange but palpably useful.

Since observing such law is voluntary, so is submitting to the World Court that is what it does and applies it. Nations aspiring to live less like beasts in the jungle hesitantly submit to the court and try, by the force of their example, to prove that rational argument and codes of conduct can to some extent become a substitute for international pillage, piracy and murder. Until last week, the United States was one of this minority of nations.

Now, because it is ashamed of the rationale for its violence against Nicaragua, the United States has refused to defend itself, and in particular the mining of Nicaragua's harbors, before the World Court. Indeed, the Reagan administration sees profit in its petulance. To play the bully, it reckons, may actually make

its violence more effective. And being the most powerful beast in the jungle, it thinks it loses little by thus diminishing the World Court.

But it is angrily striking at a great many things that are worth cherishing.

To have tried, even vainly, to justify the violence against Nicaragua before the court would have shown a decent respect for the opinions of mankind.

To have let a band of Nicaraguan Marxists

challenge a superpower to a legal duel would have demonstrated honor and idealism to the multitudes who cynically equate the United States with that rapacious other superpower.

To have kept on flattering the pretenses of the court and of international law would have enhanced their authority, and cleared another tiny patch of the path out of the jungle.

To have submitted to the court's judgment, even with the possibility of later ignoring it, would have dramatized a yearning for a superior order in which peoples surrender their "sovereign" right to murder other peoples to the kinds of institutions they readily accept inside their frontiers.

Yes, there was a legitimate doubt whether Nicaragua had proper standing, under present rules, to bring this case before the World Court. And there is, always, a serious doubt whether all the court's judges are sufficiently independent of their governments' policies. It can also be argued that the court was never meant to have jurisdiction over warfare that at least one of the parties regards as an elemental right of self-defense.

Having made, and lost, the first of these points, the United States now merely asserts the others, and thumbs its nose at the court. The world will not be changed by this defiance. That is why it is wrong.

— THE NEW YORK TIMES.

Other Opinion

V-E Day: A Proper Celebration

There is more than routine confusion and muddle in the [British] government's reluctance to organize a celebration of the day when Nazi Germany was finally defeated. That day — May 8, 1945 — was, in Churchill's words, "a splendid moment in our great history and in our small lives." As a landmark in European history, the defeat of fascism must surely rank as a more important event than the Normandy landings, for the successful outcome of a great endeavor must be more significant than the meager tasks it achieved.

Yet while the D-day anniversary was celebrated on a royal scale, V-E Day would have slipped by almost unnoticed in this country had it not been for pressure from the Social Democratic Party and subsequently from

many other groups. How can one account for this discrepancy? The first (rather cynical) answer is that President Reagan is not running for re-election this year. Second (and more important for the British government), the Soviet Union was not involved in the Normandy landings, but was very much involved with the victory in Europe against Nazi Germany.

It can surely do no harm to recall that the Soviet Union has not always been cast as our enemy and was actually our close ally within living memory. A way must be found to seize the opportunity before the Kremlin uses our reluctance as another stick with which to beat the West. The Russians have every right to take part in a joint celebration of a joint victory and a joint (and enduring) peace.

— The Observer (London).

FROM OUR JAN. 21 PAGES, 75 AND 50 YEARS AGO

1910: U.S. Meat Boycott Gains Steam

NEW YORK — Fasting is coming into vogue as the best means of protesting against increased food prices. "Don't eat meat!" is the cry in the Middle and Western states. "Let's be vegetarians!" W.A. Rogers's cartoon in the New York Herald (Jan. 20) shows an army of meat strikers assaulting a cold storage house, on the roof of which is a horned giant, representing the Beef Trust, smiling at the demonstrators. The anti-Beef Trust movement extends from Pennsylvania to the Rocky Mountains. New York, the New England States and most Southern states have not yet figured prominently in the campaign. Many states are pushing investigations into soaring food prices. It is predicted that unless conditions improve, millions will join the boycotts.

1935: Saving Face Through Chemistry

PARIS — Despite new literary admonitions of possible danger in fighting with chemical warfare, were there ever so many ways of saving face — so many lotions, hormones, skin diets, muscle firmers, wrinkle smoothers, astringents, evening bases, luncheon creams, showerproof rouges, vanishing eyelashes, cocktail lips, carnage-colored salons? What would beauty be in the raw today?

The preparation of the person for public view grows more scientific. Rarely in the past did ladies consent to proclaim their reliance upon beautifiers. Nor was it the custom in more gallant periods to make gifts of remedies for natural defects — no suitor of lace valentines days would have sent his mistress a jar of turtle glands, a neck feed or a kissproof lipstick.

— The Observer (London).

NEW DELHI — For the world, 1984 may not have been the nightmare George Orwell predicted.

But for India it was the most traumatic year since the partition riots.

The land of Gandhi and Buddha has

become a land of rampant violence and venomous dealing.

The 1983 massacres in Assam were a grim forewarning of what was to come, yet they did not impinge on the national conscience as much as they should have. To many Indians, the northeast seems remote and the issues confusing. Distance and complexity are often convenient shields against ugly reality.

But the killings, arson and looting last year in Delhi and elsewhere are something else. Reports of people being speared, hacked to death or shot with bows and arrows — as in Assam — sounded primitive and unreal. But what happened in India's capital will not be erased from memory for a long time.

People were dragged from vehicles or out of their homes, bludgeoned, then set afire. If, in early 1984, when Sikh terrorists were wreaking havoc in Punjab, the symbol of violence was the bullet, then in May in Bihar and in November over much of northern India it was the match. We Indians have been a very violent people.

What has gone wrong? Why is violence surfacing so often and with such brutality? We need to find out urgently because it threatens our

democratic system as never before.

Prime Minister Margaret Thatcher's declaration in October after the attempt on her life — that men of violence wanted was an end to democracy — should be kept in mind. Terrorism must not be allowed to separate political leaders from the people, the British leader said. Fortunately, Indira Gandhi's assassination has not reflected the country from its democratic path.

elections were held on schedule last month. But the root causes of violence must be exposed and tackled.

Prime among them is the deteriorating machinery of law and order. One of last year's bigger hits in India was a film called "Aaj Ki Awaz" (Today's Voice). It is the story of an idealistic young professor who moves to Bombay and dares to oppose a gang of hoodlums who terrorize his neighborhood. To intimidate him, the gang rapes his sister (who then commits suicide) and kills his mother before his eyes.

Convinced that he cannot get justice from a corrupt police force and ineffective courts, he decides to take the law into his own hands. He learns to use a gun and brutally kills every member of the gang.

But it is not the brutality, which is bad enough, that is so worrying. What is worrying is the audience reaction. When this writer saw the

film, every time the hero railed against police corruption the audience burst into applause. When the hoodlums bit the dust, blood pouring, the audience cheered.

The hero, brought to trial, pleads that he was justified in murdering the gang members because he could not have obtained justice through the police and court system. Incredibly, the judge agrees, and frees him. That received the loudest applause.

Such reactions are not just dangerous signals. They are evidence of the rot. In some affluent parts of Delhi, residents have banded together and backed the formation of what amount to vigilante squads. Other citizens are acquiring guns — and there are plenty of them, licensed and illegal, floating around.

Other insidious elements have grown unchecked in Indian society. Corruption is widespread. There was a time when India took pride at being among the least corrupt of the developing nations. No longer.

Cynicism, callousness and, ultimately, violence are the logical outcome of such moral decay.

There are many causes of violence and the brutalization of society. Two world bodies, Earthscan and the International Institute for Environment and Development, have in recent reports linked the growing violence in many Third World countries to "environmental degradation" and the competition for a diminishing share of renewable

resources. Their thesis is that factors such as soil erosion, deforestation, the rise in population, and migration to the cities create pressures that lead to political repression and violence. Thus the Punjab crisis, the Hindu-Moslem riots in Bihar and, more recently, the aftermath of Mrs. Gandhi's killing — are not unrelated to environmental woes.

Fortunately, an immense reservoir of idealism and compassion still

Reagan at Midpoint: A Revived Presidency

By Joseph Kraft

WASHINGTON — Jimmy Carter limped out of the White House complaining of "the attrition of the presidency." Ronald Reagan, after his re-election, exulted: "It's only the beginning."

The two comments express a well-known universal perception that Mr. Reagan has revived a great office of state. But why has he been such a tonic for the job? And how long will the recovered presidency endure?

Personality explains much of the transformation. Likable presidents, from Franklin Roosevelt through John F. Kennedy, gave the office its good name in the modern period. Mr. Reagan is by far the most attractive figure to serve in the White House since Mr. Kennedy. Face-to-face, he radiates charm. In public appearances, he beams with good will. Even when he talks tough, he is not threatening. So he attracts good feeling to himself, and much of it rubs off on the presidency.

Ability to communicate well with an audience of millions also counts for a lot. Lyndon Johnson was overbearing. A sinister element figured in everything Richard Nixon ever said.

Gerald Ford bumbled. Mr. Carter, a moralist, never set clear priorities.

Similar turnarounds took place less dramatically. Mr. Reagan went back on his enthusiasm for Taiwan in agreeing to a Chinese proposal that U.S. arms shipments to Taipei level off. He bowed to dovish opinion in toning down the anti-Soviet rhetoric of the first three years.

If acting skill is necessary up front, somewhere out of sight there is sensitive perception. Many White House staff people, notably James Baker, Michael Deaver and Richard Darman, were quick to spot banana peels and edge the president away.

Secondhand reports from the White House indicate that Nancy Reagan has been particularly allergic to developments that might make the president look bad. She evidently played a key role in the removal of Alexander Haig as secretary of state (because of Lebanon) and William Clark as national security adviser (because of Central America).

A weakening of this anti-Soviet mechanism is one change already evident as the second Reagan administration takes shape. With the departure of Mr. Deaver, Mrs. Reagan has lost her main pipeline to the staff.

Sensitivity to advance trouble is thus doubly diminished.

That falling-off could be important if the luck breaks. A Reagan administration that did nothing about closing the cliff. But as the second term begins, the perils of high deficits, high interest rates and high trade imbalances are all too apparent. Opportunities are equally apparent. The administration is on the high road to arms control and tax reform. So the odds are good — until 1987 at least — for a successful second term and a continuing glow around the presidency.

Los Angeles Times Syndicate.



Highs, Lows Forecast for Reagan Foreign Policy

By Don Podesta
Washington Post Service

WASHINGTON — The agreement to renew U.S.-Soviet arms negotiations has improved President Ronald Reagan's standing in the eyes of Western Europe and opens a new chapter in relations with Moscow.

But in the rest of the world, according to reports by Washington Post correspondents, the outlook for President Reagan's second term brightens or dims according to regional problems and points of contention.

For Western Europeans, the renewed U.S.-Soviet talks have removed or at least reduced one of the most likely sources of friction within the Atlantic alliance.

Western Europeans, while generally supporting Mr. Reagan's first-term commitment to strengthening Western defenses, were disturbed by what they saw as his lack of sophistication in world affairs and his administration's seeming inability to conduct serious negotiations with Moscow.

Added to this was the specific concern of Britain and France, the two West European countries with independent nuclear deterrents, over President Reagan's plans for constructing a strategic defense system in space.

French and British leaders fear that their nuclear forces would lose credibility if the two superpowers push ahead with deployment of such anti-missile systems. A related worry is that defense of the United States would no longer be coupled with that of Western Europe.

By agreeing at least to discuss space weapons with the Soviet Union, the administration has defused the Europeans' immediate concern and made it less likely that Moscow will succeed in its presumed aim of driving a wedge between the allies on the subject.

The most vociferous supporter in Europe of a second Reagan term has been Prime Minister Margaret Thatcher of Britain. In a major foreign policy speech shortly after President Reagan's re-election, she congratulated Americans for proving "once again something which I believe to be as true of politics as it is of television: All the best programs run for more than one season."

Comments by other West European leaders on Mr. Reagan's re-election have been more guarded and, in many cases, colored by fears that the U.S. economy might run into difficulty during the second term.

Raymond Barre, a former French prime minister, said he hoped President Reagan would succeed in reducing "the deficit," whose consequences could be serious for the international economy as well as the American economy. I hope that the dollar, which is un-

doubtedly the international currency at present, will enjoy a great stability, which is indispensable for the harmonious development of international trade."

Before the Geneva meetings, Moscow seemed dubious about prospects for any new stances by the Reagan administration. Now, however, both sides appear to have summoned the political will to move to the next stage in their relations. While not wholly persuaded of Mr. Reagan's credentials as a true believer in arms control, many Soviet officials clearly believed that, if nothing else, both sides are talking again.

Foreign Minister Andrei A. Gromyko said in Geneva: "The entire world knows well that the situation in the world as a whole largely depends on the state of Soviet-U.S. relations." Now, he said, "a certain step has been made in establishing a dialogue between our two countries."

Soviet analysts question President Reagan's part in this latest development. Shortly after the election, one analyst in Moscow wondered whether Mr. Reagan would seek a new role as peacemaker for his last term.

"If he has such ambitions to get in the history books in this way, that is one thing," the analyst said. "Whether his advisers permit him, or whether he will use his ambition for foolish things, that is another."

Following are some problems and prospects, by region, for foreign policy and relations under President Reagan's second term:

Latin America

The administration is expected to continue and possibly intensify efforts to combat leftist revolutionary forces, according to government officials, but they expect Congress to restrain him.

Nicaragua's Sandinist leaders repeatedly have said that President Reagan is preparing for direct military intervention in Nicaragua. But political observers in Managua, including U.S. and West European diplomats, said these allegations seemed aimed primarily at rallying domestic and international support.

The administration has said it will not accept consolidation of a Marxist-Leninist government in Nicaragua but has never made clear how far it would go if the Sandinists do not respond to U.S. pressure to move toward democracy, curb a reported arms buildup and reduce links with the Soviet bloc.

The administration's policy is expected to become clearer in the spring after Congress decides whether to resume aid to Nicaraguan anti-government guerrillas. The administration has pledged to de-

push hard to restore the funding, cut off by Congress last May.

As part of a possible hardening of policy against Nicaragua, the administration reportedly was considering steps to reduce trade, increase the U.S. military presence around it and downgrade diplomatic relations.

In El Salvador, officials ex-

pected hope that continued U.S. support for President José Napoleón Duarte would enable the government to end the five-year civil war with leftist guerrillas. They said continued U.S. military and economic aid was crucial to give the government the upper hand in peace talks or wear down rebels in the field if negotiations failed.

Regardless of the outcome of talks begun between the Salvadoran government and guerrillas in October, the administration is expected to maintain assistance to the government. Though Washington might look for new ways to aid the government — by expanding U.S. intelligence-gathering activities, for example — President Reagan is not expected to introduce troops or otherwise dramatically increase U.S. involvement.

Although the region has been undergoing a political transition to democratic government, the major exception is Chile, where President Augusto Pinochet's government has resisted U.S. and domestic pressure for liberalization. The Reagan administration has been forced in Chile to modify its "silent diplomacy" strategy of improving relations with military governments while quietly seeking change.

During the next four years, some Chilean opposition leaders predicted, Santiago could become a major trouble spot in Latin America if the country continued its course toward violent internal conflict. The Reagan administration, they contend, has proved unable to respond effectively to the crisis, clinging to hopes of gradual movement by General Pinochet toward democracy.

Relations with Zimbabwe are likely to remain chilly. Some analysts predict that the U.S. aid commitment to Prime Minister Robert Mugabe's government will continue to decline.

Although many in Congress and the administration might like to write off Mr. Mugabe and his socialist rhetoric, others argue that he presides over one of Africa's few economically viable nations and that, after investing nearly \$300 million in U.S. aid over the past four years, it would be foolish for the administration to withdraw all of its support.

The Middle East

President Reagan remains a friend and benefactor of Israel, and there are no major conflicts between the two countries.

The search for agreement in Lebanon appears to be the area of Arab-Israeli affairs in which the United States has the smallest role. Israel's hopes for a negotiated troop-withdrawal agreement with Lebanon have just about vanished.

Nonetheless, there are signs that the U.S. Congress could make the next four years considerably less favorable to South Africa now that conservative Republicans are joining congressional liberals in de-

manding U.S. pressure on Pretoria to change its policies of racial separation.

Economic sanctions are likely to be approved by Congress this year in some form — as a bill to ban sale of South African gold coins in the United States, curtailment of bank loans or a mandatory code of conduct for U.S. companies doing business in South Africa. The administration has made clear its opposition to these measures, but President Reagan may face a difficult choice if a sanctions bill passes with bipartisan support.

Elsewhere, African policy is expected to follow the same track, with such U.S. allies as Sudan, Somalia and Kenya receiving the bulk of military and economic aid. With its aggressive promotion of free enterprise, the administration is likely to bring a wave of popularity in much of Africa, where two decades of socialist rhetoric and economic centralization have largely failed.

Diplomats including Chester A. Crocker, the U.S. assistant secretary of state for African affairs, have made clear that the United States will increasingly direct aid toward countries that seek to increase incentives to private farmers and other budding capitalists. That could mean more money for such nations as Zaire, Zambia and Mozambique, all of which seek to inject new blood into torpid, bureaucratically stifled economies.

One exception is Ethiopia, which, despite its Marxist government and pro-Soviet stance, is to receive a 215,000 tons of grain worth \$140 million to help combat famine. The food will serve to underline the administration's claims that it does not play politics with hunger.

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Japan wants to see U.S.-Soviet disarmament talks succeed. Although Japan has no nuclear weapons of its own, the Soviet Union is

believed to have targeted large numbers of land-based and submarine-launched missiles on the country and its U.S. bases. Japan would welcome a reduction of that threat.

U.S. diplomats in India speak enthusiastically about opportunities for improved relations between the two countries. However, Prime Minister Rajiv Gandhi is at least easily steering a middle course, promising to strengthen relations with the United States and the Soviet Union and expecting no major tilt in either direction.

The most serious problem for U.S.-Japanese relations is trade imbalance, which was the focus of talks between Mr. Reagan and Prime Minister Yasuhiro Nakasone this month in Los Angeles. The meeting produced general pledges to work together rather than specific measures.

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Pakistan figures prominently in the equation, and Indian Foreign Ministry sources say that efforts will not slacken to have the United States scale back armament of Pakistan, with which India has fought three wars since gaining independence 37 years ago.

Pakistan's principal concern will be uninterrupted implementation of the five-year, \$3.2-billion military and economic assistance package. It was granted after the Soviet invasion of Afghanistan, when Pakistan began to be seen in Washington as a front-line state against Soviet expansion.

Opposition to the bases appears to be growing along with increasing public acceptance of the radical Communist Party of the Philippines and its military wing, the New People's Army. A moderate group of opposition presidential contenders has endorsed a platform calling for removal of the bases.

In New Zealand, the United States faces a Labor government ban on visits by nuclear-powered ships and those carrying nuclear weapons. It is the only such ban by a U.S. ally but has implications for other U.S. alliances.



Some of the 350 residents of Ballyporeen, Ireland, ancestral home of President Ronald Reagan, celebrate his inauguration. They hold a flag that once flew over the White House and which was given to the village after Mr. Reagan visited the town last summer.

Asia and the Pacific

Trade questions are at center stage in relations with Japan, whose dominant business and political establishment welcomed President Reagan's re-election and talks of further strengthening ties with the United States, easily its most important bilateral relationship.

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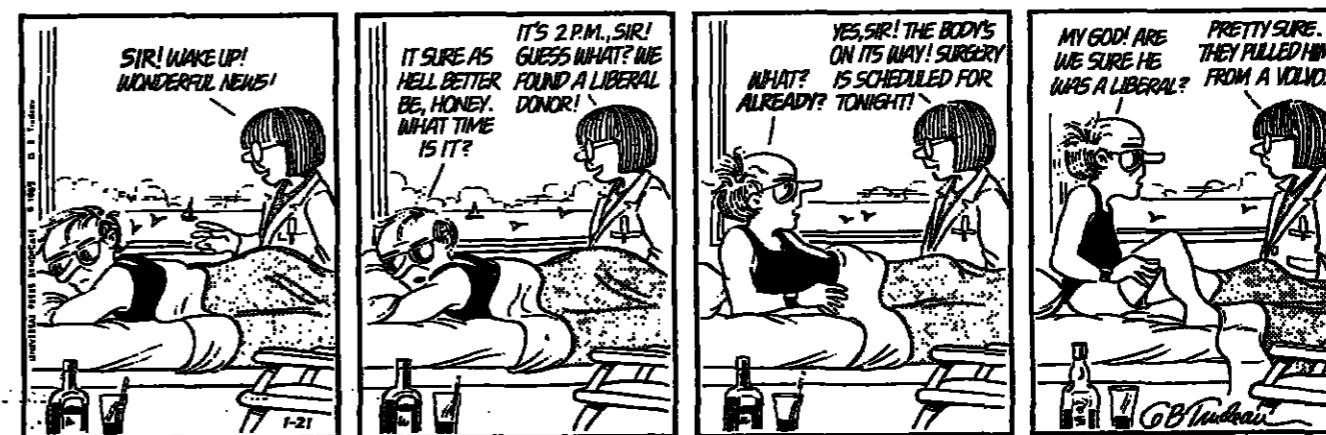
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YEAR END REPORT FROM THE INTERNATIONAL HERALD TRIBUNE TO ITS READERS AND ADVERTISERS



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One of the biggest editorial expansions in 1984 was the new "Personal Investing" sec-

tion, now appearing on the second Monday of each month and designed to help our readers look beyond national boundaries as they make their savings and investment decisions.

Other editorial advances ranged from regular new columns on "International Management" and "The European Economic Community" to a substantial increase in our listings of international sports results. A new "American Topics" column, appearing on Mondays and Saturdays, provides a fuller sense of American society. The winter and summer Olympics and the American political campaign were topics for expanded news coverage, and once again this year our editors produced more than 60 special reports on a wide range of countries and industries.

On the delivery front, the IHT's technological expansion continued with the start-up of our seventh facsimile printing site in May, this one in Marseille. International Herald Tribune copies now reach the South of France and Spain earlier than ever as a result. To mention one example, the IHT's arrival time in Madrid is now 8:30 A.M. (coming from Marseille by truck and then plane) compared to 12:30 P.M. when the paper was

floated from Paris. Further new printing sites are under consideration.

Other IHT activities in 1984 included five well-attended conferences, with speakers ranging from U.S. Vice President George Bush to Portuguese Prime Minister Mario Soares. And new guides to European travel and Paris food joined the growing IHT book list.

On all these fronts and others, we hope to make further advances in the year ahead. But that will require your continued help. Your decisions — to read this newspaper and to place your advertising in its pages — ultimately determine the pace of our advance. That is why it is so important for us to feel in touch with you, sharing information about the newspaper with you and learning from you about your reactions and interests. So keep in touch — you can be sure that your letters to us are carefully read and noted.

With thanks again and very best wishes,
Lee W. Huebner
Publisher

Lee W. Huebner

1984/160,000
1983/153,571
1982/144,891
1981/139,280
1980/134,271



International Bond Prices - Week of Jan. 17

Provided by Credit Suisse First Boston Securities, London, Tel: 01-623-1277
Prices may vary according to market conditions and other factors.

RECENT ISSUES

Am't	Security	St/	Conv	Issue Pr.	Adj Pr.	Yield	Am't	Security	St/	Conv	Issue Pr.	Adj Pr.	Yield							
Can 235	Finland	7	7	Jan	100	100	Can 236	Newfoundland Lab Hyd	85	85 Mar	97.0	97.25	100	Can 237	Scal Transpontica	70	70 Mar	91.0	91.0	12.5%
Can 238	Ontario	100	100	Jan	100	100	Can 239	Stevens Jeff Finance	70	70 Mar	97.0	97.0	100	Can 240	Arctic Bank	11	11 Feb	98.0	98.0	11.4%
Can 241	Provinces Silver Miner	100	100	Jan	100	100	Can 242	North Hyd	85	85 Mar	97.0	97.0	100	Can 243	Arctic Bank	11	11 Feb	98.0	98.0	11.4%
Can 243	New Brunswick Province	110	110	Jan	100	100	Can 244	North Hyd	85	85 Mar	97.0	97.0	100	Can 245	Benefit D/F Financ	14	14 Feb	98.0	98.0	11.4%
Can 245	Electroferm	100	100	Jan	100	100	Can 246	North Hyd	85	85 Mar	97.0	97.0	100	Can 246	Benefit D/F Financ	14	14 Feb	98.0	98.0	11.4%
Can 246	Prudential Ready Sac	100	100	Jan	100	100	Can 247	North Hyd	85	85 Mar	97.0	97.0	100	Can 247	Blue Bell Mill	7	7 Feb	97.0	97.0	11.4%
Can 247	United Technologies	100	100	Jan	100	100	Can 248	North Hyd	85	85 Mar	97.0	97.0	100	Can 248	Burbridge Mill Financ	15	15 Feb	98.0	98.0	11.4%
Can 248	Marine Corp	100	100	Jan	100	100	Can 249	North Hyd	85	85 Mar	97.0	97.0	100	Can 249	Campbell Sac D/F Fin	14	14 Feb	98.0	98.0	11.4%
Can 249	Marine Corp	100	100	Jan	100	100	Can 250	North Hyd	85	85 Mar	97.0	97.0	100	Can 250	Carrier Int'l	8	8 Feb	97.0	97.0	11.4%
Can 250	Marine Corp	100	100	Jan	100	100	Can 251	North Hyd	85	85 Mar	97.0	97.0	100	Can 251	Cats Inc	11	11 Feb	97.0	97.0	11.4%
Can 251	Marine Corp	100	100	Jan	100	100	Can 252	North Hyd	85	85 Mar	97.0	97.0	100	Can 252	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 252	Marine Corp	100	100	Jan	100	100	Can 253	North Hyd	85	85 Mar	97.0	97.0	100	Can 253	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 253	Marine Corp	100	100	Jan	100	100	Can 254	North Hyd	85	85 Mar	97.0	97.0	100	Can 254	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 254	Marine Corp	100	100	Jan	100	100	Can 255	North Hyd	85	85 Mar	97.0	97.0	100	Can 255	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 255	Marine Corp	100	100	Jan	100	100	Can 256	North Hyd	85	85 Mar	97.0	97.0	100	Can 256	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 256	Marine Corp	100	100	Jan	100	100	Can 257	North Hyd	85	85 Mar	97.0	97.0	100	Can 257	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 257	Marine Corp	100	100	Jan	100	100	Can 258	North Hyd	85	85 Mar	97.0	97.0	100	Can 258	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 258	Marine Corp	100	100	Jan	100	100	Can 259	North Hyd	85	85 Mar	97.0	97.0	100	Can 259	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 259	Marine Corp	100	100	Jan	100	100	Can 260	North Hyd	85	85 Mar	97.0	97.0	100	Can 260	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 260	Marine Corp	100	100	Jan	100	100	Can 261	North Hyd	85	85 Mar	97.0	97.0	100	Can 261	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 261	Marine Corp	100	100	Jan	100	100	Can 262	North Hyd	85	85 Mar	97.0	97.0	100	Can 262	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 262	Marine Corp	100	100	Jan	100	100	Can 263	North Hyd	85	85 Mar	97.0	97.0	100	Can 263	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 263	Marine Corp	100	100	Jan	100	100	Can 264	North Hyd	85	85 Mar	97.0	97.0	100	Can 264	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 264	Marine Corp	100	100	Jan	100	100	Can 265	North Hyd	85	85 Mar	97.0	97.0	100	Can 265	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 265	Marine Corp	100	100	Jan	100	100	Can 266	North Hyd	85	85 Mar	97.0	97.0	100	Can 266	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 266	Marine Corp	100	100	Jan	100	100	Can 267	North Hyd	85	85 Mar	97.0	97.0	100	Can 267	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 267	Marine Corp	100	100	Jan	100	100	Can 268	North Hyd	85	85 Mar	97.0	97.0	100	Can 268	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 268	Marine Corp	100	100	Jan	100	100	Can 269	North Hyd	85	85 Mar	97.0	97.0	100	Can 269	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 269	Marine Corp	100	100	Jan	100	100	Can 270	North Hyd	85	85 Mar	97.0	97.0	100	Can 270	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 270	Marine Corp	100	100	Jan	100	100	Can 271	North Hyd	85	85 Mar	97.0	97.0	100	Can 271	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 271	Marine Corp	100	100	Jan	100	100	Can 272	North Hyd	85	85 Mar	97.0	97.0	100	Can 272	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 272	Marine Corp	100	100	Jan	100	100	Can 273	North Hyd	85	85 Mar	97.0	97.0	100	Can 273	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 273	Marine Corp	100	100	Jan	100	100	Can 274	North Hyd	85	85 Mar	97.0	97.0	100	Can 274	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 274	Marine Corp	100	100	Jan	100	100	Can 275	North Hyd	85	85 Mar	97.0	97.0	100	Can 275	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 275	Marine Corp	100	100	Jan	100	100	Can 276	North Hyd	85	85 Mar	97.0	97.0	100	Can 276	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 276	Marine Corp	100	100	Jan	100	100	Can 277	North Hyd	85	85 Mar	97.0	97.0	100	Can 277	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 277	Marine Corp	100	100	Jan	100	100	Can 278	North Hyd	85	85 Mar	97.0	97.0	100	Can 278	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 278	Marine Corp	100	100	Jan	100	100	Can 279	North Hyd	85	85 Mar	97.0	97.0	100	Can 279	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 279	Marine Corp	100	100	Jan	100	100	Can 280	North Hyd	85	85 Mar	97.0	97.0	100	Can 280	Bear Stearns Co	11	11 Feb	97.0	97.0	11.4%
Can 280	Marine Corp	100	100	Jan	100	100	Can 281	North Hyd	85	85 Mar	97									

BUSINESS/FINANCE

EUROBONDS

Managing Syndicates Profit From Low Short-Term Rates

By CARL GEWIRTZ
International Herald Tribune

PARIS — Undaunted by the substantial volume of unsold Eurodollar bonds still on their shelves, bankers launched another \$1.1 billion worth of dollar bonds last week bearing terms that were about as aggressive as those on the previously unsold paper.

Underwriters can afford such bravado for two reasons. Many of the fixed-coupon issues generate hidden commissions because the banks arrange a private parallel transaction whereby the issuer swaps the debt for something else. These extra commissions, of course, are only earned by the one or two banks that bring the swap partners together.

But all members of the managing syndicate can earn extra profits thanks to their current easy access to cheap money to finance their bond holdings. A bank last week had to pay only 8 1/4 percent (calculated on an annual basis) for one-week Eurodollars to finance the purchase of bonds bearing annual coupons of close to 11 percent. This mismatching of assets and liabilities admittedly is risky because if short-term rates suddenly explode, the profit would become a loss. But this is a low risk, as the Federal Reserve currently is seen as providing ample money-market liquidity to keep short-term rates at least steady if not declining.

"The low short-term rates are underpinning the whole market," asserts Julian Jacobson of Kidder, Peabody Securities. Thus, while bonds are trading at two to three points below the official offering price — traditionally the cause for angry recriminations between banks usually resulting in higher coupons on subsequent issues — underwriters may still be earning a profit.

In fact, there was no such bickering last week and the mood among professionals was cautiously optimistic. The reason: investors were beginning to nibble at the new issues, spurred by the belief that interest rates may be driven lower because the U.S. economy appears to be recovering from the third-quarter slowdown much more modestly than had been expected.

EARLY last week, the government reported that December retail sales, which most analysts had predicted would rise, actually fell and that industrial production that month rose less rapidly than had been forecast. The real improvement in market sentiment, however, occurred late Thursday when the Fed reported a \$2.1-billion increase in the money supply — less than half the amount most analysts had expected.

As a result, there were substantial sales of dollar bonds Friday and managers were breathing easier about the heavy inventory they had accumulated in the first two weeks of the year.

BP Finance, which offered \$150 million of seven-year paper at par bearing a coupon of 11 1/4 percent, was one of the principal targets of investors. The attraction was enhanced by the fact that the British oil company had not tapped the Eurobond market in nearly 20 years.

L.M. Ericsson was another name that would be expected to excite investors, but the terms on its \$100 million of three-year notes — a coupon of 10 1/4 percent and a premium issue price of 100% cutting the yield to 10.32 percent — were a touch too stingy. While the notes ended the week at a relatively modest discount of 9 1/4%, the price was not a true measure of market sentiment as lead manager Citicorp was actively supporting the price.

By contrast, late Friday, Elf-Aquitaine offered \$100 million of four-year notes bearing a coupon of 10 1/4 percent priced at par.

Japanese issuers remained active and split into two classes — those that could be easily sold into Japan and those that could not. Paper issued by parent companies can be taken into domestic portfolios without falling into the Ministry of Finance guidelines on the purchase of foreign securities. As a result, C. Itoh sold \$100 million of seven-year paper at par bearing a coupon of 10 1/4 percent and Mitsubishi sold at par \$200 million of 10-year, 10 1/4 percent bonds and \$100 million of seven-year, 10 1/4 percent notes.

While Japanese institutions have been willing to accept such low coupons for unlimited access to dollar securities, bankers report the demand is definitely slackening — in part because so much paper already has been purchased and in part because of rumors that the ministry is studying whether to plug this loophole in its guidelines.

Securities houses and city banks are not permitted to issue

(Continued on Page 11, Col. 1)

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes		Money Rates	
United States		United States	
DJ Industrial	1,277.36	1,218.69	10.78%
DJ Total	1,47.57	147.26	+0.21
S&P 500	149.27	145.97	+1.19
S&P 500	171.32	167.90	+2.04
NYSE Cr.	99.04	96.99	+2.11
Data from Prudent/Brecher Securities.			
Britain	1,275.10	1,248.60	+2.18
FTSE 100	994.50	966.10	+2.94
Data from Prudent/Brecher Securities.			
Hong Kong	1,360.33	1,352.69	+0.56
Hong Kong			
Japan	11,910.00	11,812.24	+0.83
Nikkei DJ	11,910.00	11,812.24	+0.83
Data from Prudent/Brecher Securities.			
West Germany	1,167.90	1,162.70	+2.20
Data from Jones Capital & Co. London.			

Currency Rates

Last interbank rates on Jan. 18, excluding fees.

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates of 4 P.M.

	Per S	Per D.M.	Per F.F.	Per I.L.	Per G.M.	Per E.F.	Per S.F.	Per Yen
Amsterdam	4.025	112.00	36.59	0.1841	5.647	134.14	141.04	9
Brussels	5.6295	71.22	20.02	0.532	5.319	127.71	23.78	10
Frankfurt	3.7171	1.559	1.428	1.628	0.8026	4.993	118.75	1.25
London	1.7265	—	2.6488	10.9244	2.7195	—	—	—
Milan	1,049.40	1,252	2,082.62	54.05	1,049.40	2,082.62	2,082.62	1,049.40
Paris	9.725	10.535	2,053.36	1,995.5	9.725	21.97	15.97	74.71
Tokyo	253.925	266.45	80.12	24.71	12.08	76.62	400.87	95.11
Zurich	2.475	3.007	84.225	27.51	74.67	4.2075	—	1,023.21
1 ECU	0.6999	0.6229	2,222.8	1,610.8	1,264.51	2,571.2	1,971.8	177.98
1 SDR	0.774610	0.6988	3,095.01	2,678.1	1,971.8	3,095.01	2,678.1	247.53

Dollar Values

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates of 4 P.M.

	Per S	Per D.M.	Per F.F.	Per I.L.	Per G.M.	Per E.F.	Per S.F.	Per Yen
Amsterdam	1.63	0.6914	0.6914	0.2011	0.6914	2.1975	—	—
Brussels	1.647	0.6914	0.6914	0.2011	0.6914	2.1975	—	—
Frankfurt	1.6154	0.6914	0.6914	0.2011	0.6914	2.1975	—	—
London	1.6231	0.6914	0.6914	0.2011	0.6914	2.1975	—	—
Milan	1,049.40	1,252	2,082.62	54.05	1,049.40	2,082.62	2,082.62	1,049.40
Paris	9.725	10.535	2,053.36	1,995.5	9.725	21.97	15.97	74.71
Tokyo	253.925	266.45	80.12	24.71	12.08	76.62	400.87	95.11
Zurich	2.475	3.007	84.225	27.51	74.67	4.2075	—	1,023.21
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1 SDR	0.774610	0.6988	3,095.01	2,678.1	1,971.8	3,095.01	2,678.1	247.53

Starting: 1/15/85 (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (d) Units of 100 (e) Units of 1,000 (f) Units of 100

M.C. not quoted; N.A. not available

Sources: Banque du Bruxelles (Brussels); Banque Commerciale Italienne (Milan); Banque Nationale de Paris (Paris); I.M.F. (SDR); Banque d'Investissement et de Crédit International (Paris); Financial Times; Reuters and AP.

Carbide Directors Are Sued
Payment Asked For Stock Losses

Reuters

NEW YORK — A lawsuit has been filed against 18 board members of the Union Carbide Corp., alleging that the failure to prevent the accidental discharge of poisonous gas from the company's plant in Bhopal, India, was a breach of their duties.

The lawsuit was filed in U.S. District Court in Manhattan by Northcoast Corp. of Elkins Park, Pennsylvania, which owns an undisclosed amount of Union Carbide common stock.

The suit said that as a result of the fatal Dec. 3 leak, the value of the company's common stock declined and experts were predicting a painful start for 1985.

"There are lots of reasons to feel good," said Charles B. Reeder, chief economist at Du Pont Co.

"The economy is stronger than at any time in the last five years," said Arthur Levitt Jr., chairman of the American Stock Exchange.

Each board member, the suit said, "participated in errors and omissions and caused the company great damage." The suit asks the court to direct each individual to repay the company for the damages it sustained.

The suit alleges that the board members failed to heed a 1982 survey revealing serious equipment and safety problems at the Bhopal pesticide plant. After that, the suit said, "Union Carbide stock, which fell to \$32.75 from \$64.125 after the news of the Bhopal disaster, rose \$1 to close on the New York Stock Exchange at \$38.75."

Each board member, the suit said, "participated in errors and omissions and caused the company great damage."

"If you kind of back off and look at where we are, not just at the monthly numbers, we're looking real good," said William C. Dumkeberg of Purdue University, chief economist of the National Federation of Independent Businesses.

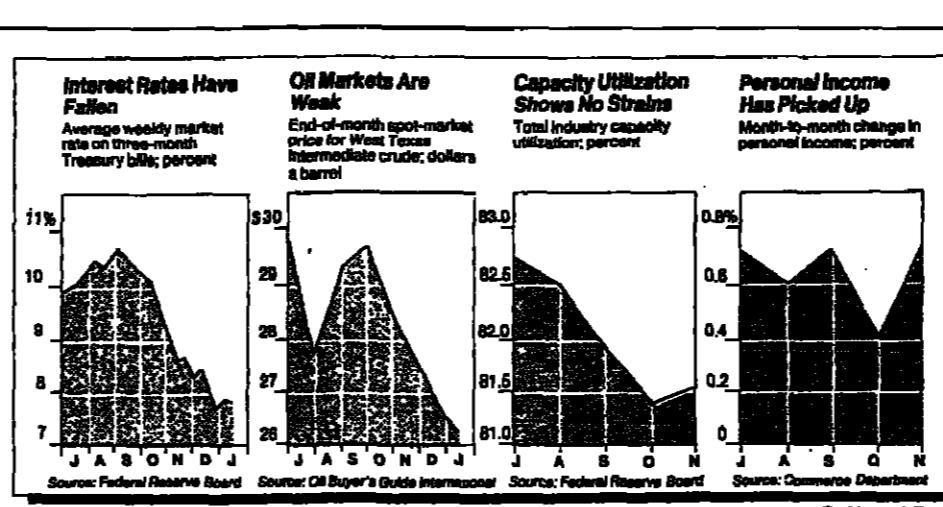
The new optimism among economists goes beyond the government's parade of monthly statistical reports on inflation, growth, industrial activity, construction, retail sales, foreign trade and the like.

The reports for November and those announced to date for December have taken a decidedly positive turn or showed signs of eventual improvement.

More important than the movement of the indicators themselves are changes that economists cite in some of the forces that drive the indicators, some of which are only now beginning to work their way into the monthly data. Economists cite four in particular:

• A change in behavior of the Federal Reserve Board, the government's independent central bank, which is widely blamed for adding to the severity of the 1981-82 recession by encouraging the high interest rates that have plagued the economy since 1979. Since last summer, however, many interest rates have dropped about three percentage points.

• The inability of the Middle East oil countries to avert a new decline in world oil prices. Rising oil



Business Outlook for U.S. in 1985 Brightens as Indicators Improve

By Peter T. Kilborn
New York Times Service

WASHINGTON — Economists' perceptions of business prospects for this year have brightened substantially, only months after growth nearly stalled and experts were predicting a painfully slow start for 1985.

The suit said that as a result of the fatal Dec. 3 leak, the value of the company's common stock declined and experts were predicting a painful start for 1985.

"There are lots of reasons to feel good," said Charles B. Reeder, chief economist at Du Pont Co.

"The economy is stronger than at any time in the last five years," said Arthur Levitt Jr., chairman of the American Stock Exchange.

Each board member, the suit said, "participated in errors and omissions and caused the company great damage."

"If you kind of back

New Eurobond Issues

Issuer	Amount (millions)	Mat. %	Coup. %	Price	Yield at end of week	Price	Terms
FLOATING RATE NOTES							
Crédit Centrale de Coopération Economique	\$200	2005	1%	100	—	99.55	Over 3-month Libor. Minimum coupon 5%. Callable at par on any interest payment date after 1986. Fees 0.575%.
Dai-ichi Kangyo Bank	\$30	1988	1/16	100	—	—	Over 6-month Singapore offered rate for first 2 years, and 16 over thereafter. Redemptions at par in 1987. Floating rate certificates of deposit.
First Chicago	\$200	1997	3/16	100	—	99.80	Over 3-month Libor. Minimum coupon 5%. Callable at par in 1986. Fees 0.275%.
Ireland	\$300	1997	1%	100	—	99.76	Over 6-month Libor. Minimum coupon 5%. Callable at par in 1987. Convertible in 1987 into a 3-year note paying 16 over Libor, itself convertible back into original note in 1988. Fees 0.24%.
Korea Development Bank	\$100	2000	1%	100	—	98.25	Over 6-month Libor. Minimum coupon 5%. Callable at par in 1987. Convertible in 1987 into a 3-year note paying 16 over Libor, itself convertible back into original note in 1988. Fees 1.15%. Denominations \$10,000.
Wells Fargo	\$150	1997	1%	100	—	99.60	Over 3-month Libor. Minimum coupon 5%. Callable at par in 1986. Fees 0.45%. Denominations \$50,000.
FIXED-COUPON							
BP Finance	\$150	1992	11 1/2	100	11 1/2	98.38	Callable at 100% in 1991.
Citoh	\$100	1992	10 1/2	100	10 1/2	98.25	Noncallable.
Ericsson	\$100	1988	10%	100%	10.33	99.50	Noncallable.
Mitsubishi	\$200	1995	10%	100	10%	98.75	Noncallable.
Mitsubishi	\$100	1992	10%	100	10%	98.63	Noncallable.
Postipankki	\$75	1990	11%	100	11%	98.50	Noncallable.
Société Nationale Energie Aquitaine	\$100	1989	10%	100	10%	98.13	Noncallable. Payable March 15.
Sumitomo Finance Asia	\$150	1992	11 1/2	100	11 1/2	98.38	Noncallable. Denominations \$10,000. Payable March 15.
TBG Finance	\$50	1990	10%	100	10%	98.38	Callable at 101% in 1988. Backed by surety bond of Aetna Life. Guaranteed by Thyssen Bremmen.
Yamada Int'l	\$100	1991	11%	100	11%	98.13	—
Austria	DM 300	1992	7	100	7	—	Noncallable.
Genbel Finance	DM 100	1991	8	99 1/2	8.11	98	Noncallable.
ITT	DM 100	1990	7	100	7	99.50	Noncallable private placement.
MEPC Int'l	DM 100	1992	7 1/2	99%	7.59	—	First callable at 101% in 1990.
Public Power Corp.	DM 150	1993	7 1/2	99%	7.79	98.25	First callable at 101% in 1990.
Thyssen Caribbean Finance	DM 150	1993	7 1/2	100	7 1/2	99	First callable at 101 in 1990. Private placement.
Banca Nazionale dell'Agricoltura	ECU 50	1992	10	open	—	99.25	Callable at 100% in 1992. Price to be set Jan. 22.
KB-Ifima	ECU 75	1992	9%	100	9%	98.63	Noncallable.
Mitsui Overseas Luxembourg Int'l	ECU 50	1990	9%	100	9%	—	Callable at 100% in 1988.
Avon Capital	Y 26,000	1991	6%	100	6%	97.63	Noncallable.
Eurofima	Y 10,000	1992	6%	100	6%	98.25	First callable at 100% in 1989.
Intel	Y 12,500	1992	6 1/2	—	—	—	—
McDonalds	Y 25,000	1992	6 1/2	100	6 1/2	97.75	Noncallable.
Gaz de France	CS 75	1995	11%	100%	11.71	98.50	First callable at 101 in 1993. Each CS 1,000 note with a 22-month warrant convertible of par into some bond. Warrants sold for \$14 each.
IC Industries	CS 50	1995	12%	100%	12.04	98.25	Noncallable.
Vancouver	CS 40	1995	11%	100	11%	99.50	Noncallable.
EQUITY-LINKED							
Osaka Transformer	\$20	1990	8 1/2	100	8 1/2	99	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares of 513 yen a share [no premium]. Exchange rate set at 254.95 yen per dollar.
Tokyu	\$40	1990	8 1/4	100	8 1/4	98	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares of 336 yen a share, a 1.65% premium. Exchange rate set at 255.90 yen per dollar.
Yamato Kogyo	\$30	1990	8%	100	8%	98	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares or 419 yen a share, a 1.45% premium. Exchange rate set at 255.90 yen per dollar.
Kobe Steel	DM 200	1990	3 1/2	100	3 1/2	—	Noncallable. Each 5,000-mark note with one warrant exercisable into an equivalent amount of company's shares at an anticipated 23% premium. Terms to be set Jan. 23.

New Sales Erode Eurobond Backlog

(Continued from Page 9)

securities abroad in the parent institution's name and thus do not qualify to slip through the loophole (and reportedly are making quite a sink about it at home). As a result, Yamaichi International sold \$100 million of 6% year notes bearing a coupon of 11% percent while Sumitomo Finance Asia paid 11% percent to sell \$150 million in seven-year notes.

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SPORTS

VANTAGE POINT/Ira Berkow

Supe's On: The Big One's Three 'Isms'

New York Times Service

SAN FRANCISCO — The Super Bowls have been serious stuff, at least since the eve of Super I. It was then that the only somewhat invincible Vince Lombardi warned his troops: "On Sunday, there will be no brother-in-lawing."

The no-nonsense Super Bowls have grown in fat Roman numerals from that first Green Bay-Kansas City battle until they now total XIX, exactly XVII more than the World Wars that have taken place.

The game fell, as always, on Super Sunday, or, Super Sabbath. On this year's list of days on the sports calendar, it was expected that a full house of 84,804 at Stanford Stadium would join some 120 million television viewers — about half the nation — for the 49er-Dolphin confrontation. In a little less than two decades, the Super Bowl has emerged as one of our most glorious events, second only, perhaps, to an opening of a new McDonald's.

It is more than a football game. It is bigger than that. It is a time given for reflection upon our national values, and outwardly it combines three of our most essential "isms" — patriotism, militarism and commercialism.

The game is replete with red-white-and-blue flags, with bright yellow brass buttons and tubas, and with stacks of green legal tender.

The American Broadcasting Co. was paying the National Football League \$15 million to televise the event. ABC, so as not to be caught short, was charging \$1 million a minute for advertising time. There were to be 25 minutes of advertising during the game itself — that's \$25 million for starters — plus many more minutes on the three hours of pregame and postgame and half-time shows.

Militarism is always a cuddly part of football, and never more so than at Super Bowl time.

Just before Sunday's clash, to get all our juices flowing, four F-15 Eagle fighters were to streak over the stadium. Then at halftime, the U.S. Air Force — not all of it, but a lot of it — was to put on a 12-minute extravaganza.

Through the years the Super Bowl has often been tied to various forms of militarism, beyond the normal business of defenses' engaging in blitzes and offenses' in dropping bombs. The most memo-

rable was Super IV, when the half-time consisted of the Battle of New Orleans, Part II. It was an instant replay of sorts, perhaps not quite the way Andrew Jackson, the original hero of the battle, saw it, but moving nonetheless. Musket-bearing individuals clad in period costumes waged a skirmish on the football field.

It was an ear-splitting and sometimes side-splitting display with the mock soldiers falling in battle to the soggy turf.

When Super I was played, in 1967, it was not quite the national institution it would one day bloss-

om into in fact, President Johnson, unlike the men in his office afterward, made no big thing of it. But then Johnson wasn't much of a sports bug. In fact, when the prince and princess of Laos visited Palo Alto — coincidentally the town where Super XIX is taking place — he advised them against going to a Stanford football game there.

Johnson admitted that college football was a great spectacle but, he said: "I'm not sure it gives an accurate picture of America. To see some of our best-educated boys spending an afternoon knocking each other down — while thou-

sands cheer them on — hardly gives a picture of a peace-loving nation."

Future presidents would not

bother with such quibbles,

and Presidents Nixon, Ford, and Reagan, in particular, seemed to derive pleasure from the political associations with the professional football players on their great day.

Once presidents were content to

make a phone call to the winning coach or quarterback. Now, Presi-

dent Reagan's agents, in an effort to avoid publicity for their chief, requested that he also flip the coin before Sunday's game. The NFL gladly granted it and the televised coin flip from Washington will decide the team kicking off and will be witnessed across the nation and also on the stadium's Diamond Vision.

Apparently, Nixon, a sports fan to the core and understanding the political benefit, began the White House involvement with the Super Bowl. He called Coach Hank Stram and the quarterback, Len Dawson after Kansas City's victory in Super IV, in 1970.

Then the chief of state grew especially bold and before Super VI, in 1972, he called the Miami coach, Don Shula, with a play. It was an inspiration that came to him late at night, and he just had to tell Shula. The scene was reminiscent of how Coleridge awoke from a deep dream of peace and began feverishly composing his immortal poem "Kubla Khan."

Nixon didn't have quite the good fortune in this respect that the English bard did. Shula used the play Nixon suggested, a down-and-in pass pattern from Bob Griese to Paul Warfield. The pass was incomplete, but that was better than the result of a play Nixon had suggested earlier in the season to George Allen, the Redskins coach. That one yielded a 13-yard loss.

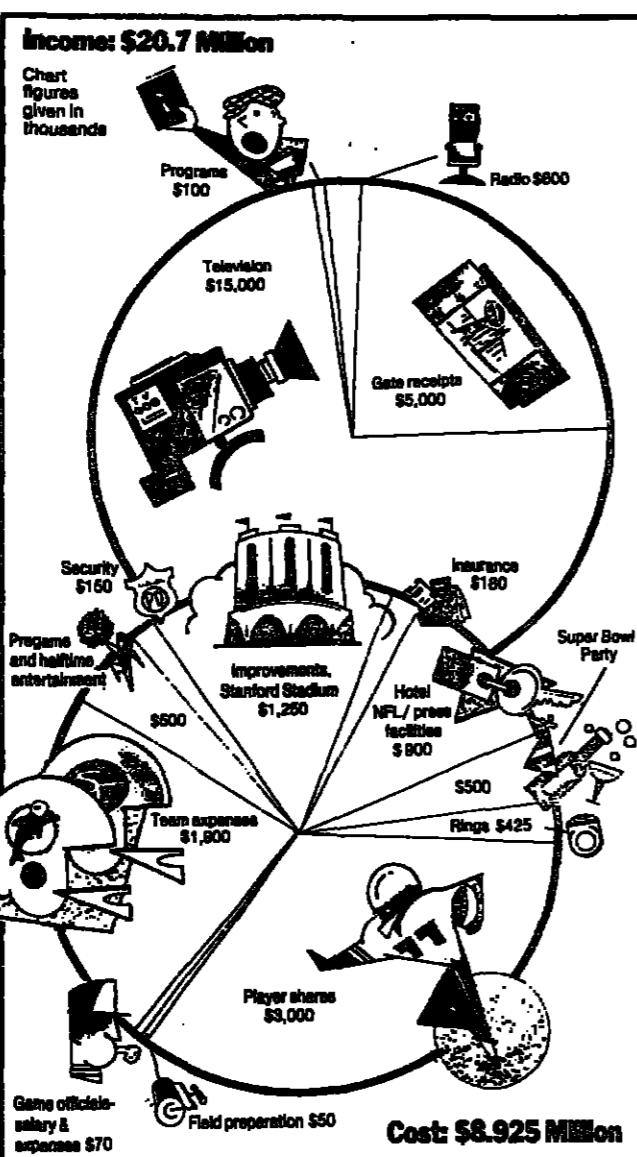
This time, Super Sunday would include the XLth president of the United States flipping the coin before the Air Force struts its stuff — and before a children's choir, composed of 300 voices and accompanied by 1,300 students from 1,300 northern California marching bands — sang the national anthem as they all formed a giant American flag between the 20-yard lines.

Again, patriotic, military, com-

mercial; again no-nonsense. And, happily at last, again a football game.



Winner Peter Wirsberger in Wengen, Switzerland: 'Baffled.'



Bob Scott: The New York Times / January 12, 1985

Curry Stops Jones in 4, Retains Title

Compiled by Our Staff From Dispatches

BIRMINGHAM, ENGLAND — Donald Curry of the United States retained his World Boxing Association welterweight crown Saturday night when he stopped challenger Colin Jones of Britain 36 seconds into the fourth round.

Jones, who was making his third attempt to win a world title, was cut on the bridge of his nose toward the end of the third round, and the fight was halted early in the fourth after an inspection by the ringside doctor.

It was the first time in his career that the 25-year-old Welshman had been stopped.

The fight drew a sellout 11,500 at Birmingham's National Exhibition Centre, and the partisan crowd reacted angrily when the scheduled 15-round was halted.

Scuffles broke out among the spectators and beer bottles rained down on the ring, splattering officials but causing no injuries.

Curry was making his fifth defense of the title he won in February 1983, and remains unbeaten after 21 pro fights, 16 of them going less than the scheduled distance.

At the end of the first round Jones had a smear of blood coming from his nose. Jones frequently was outscored because of Curry's ability to flick a jab and dance out of trouble.

In the middle of the third round a more serious cut opened up on the bridge of Jones's nose and the American piled on the pressure as blood smeared across the challenger's face.

Sensing victory, Curry stormed out of his corner as the bell sounded for the fourth. Jones hammered back, but the referee, Ismail Fernandez, called for the doctor to inspect the nose gash. Jones was quickly ruled unable to continue.

Jones, who had previously twice fought Milton McCrory for the World Boxing Council version of the welterweight crown, was told reporters that he had just hit his stride when the fight was stopped.

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10. Swiss Helmut Höflechner

"I was very happy with my run, I think I caught the perfect line all the way down," said Wirsberger, who was the 11th to start. It was his fourth downhill victory on the cup circuit, but his first since 1979.

"Just as I was baffled the past four years why I skied poorly, I cannot explain why I'm suddenly having such a good year now," he said. The Austrian had finished third three times and sixth once so far this season.

Lüscher too had his best season in 1979, when he won the overall World Cup. But in recent years he has had to fight for a place in the Swiss team. "Now my future looks brighter again," he said after finishing second with starting number 26.

"I fought all the way down."

Meanwhile, in Wengen, Switzerland, Austrian Peter Wirsberger won a downhill by covering the 4,230-meter Lauberhorn track in 2:35.97, edging Swiss Peter Lüscher by 22 hundredths of a second.

With 49 control gates and a vertical drop of 1,028 meters, the course was hard-packed and grippy on the turns, putting racers with an early starting number at a disadvantage.

Third went to Peter Müller of Switzerland in 2:36.53 and fourth

to a while it looked as if Johnson, whose star began its spectacular rise when he scored his first cup victory on this course a year ago, could repeat. The 10,000 spectators at Vengen shouted their approval as his time for the top section — 44.18 seconds — the fastest by any racer, was announced. But as in earlier races, Johnson lost ground in the bottom stretch and he finished seventh in 2:36.84.

Still, it was his best performance this season. "I'm in good physical condition, my confidence is back and today I was shooting for a win," Johnson said. "And I came damn close. I knew nobody could beat me at the top, but I blew a little time in the turns and I also broke out of the tuck too early above the finish."

The victory for Figni, who is 17, was her sixth of the season and fourth in 11 days. It vaulted her into first place with 185 overall cup points after starting the day tied at 165 points with teammate Brigitte Oerli, who fell.

"Of course I'm delighted," said Figni, who registered her first career cup triumph in last year's downhill on the same course. "I nearly fell once. It was difficult."

Fifteen skiers from a starting list of 50 failed to finish; the course had frozen overnight after a heavy snowfall Saturday that forced organizers to postpone the race one day.

(AP, UPI)

Figni Has Cup Lead On Downhill Victory

United Press International

MEGEVE, France — Michael Figni of Switzerland sped through a bumpy, treacherous course here Sunday to win her third consecutive downhill race and take the lead in the overall World Cup standings.

Figni slipped only once on the quick-frozen 2,110-meter (6,920-foot) run to win in 1 minute, 32.23

WORLD CUP SKIING

seconds. Frenchwomen Catherine Quillet (1:32.42) and Claudine Enouet (1:32.94) were second and third, respectively.

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(AP, UPI)

Decker Sets 2,000 Mark In 1st Post-Olympic Race

By Kevin Dupont

New York Times Service

LOS ANGELES — Mary Decker, competing for the first time since her controversial collision with Zola Budd ended her Olympic gold medal hopes last August, set a world indoor-best in the 2,000-meter run with a time of 5 minutes 34.52 seconds in the Sunbelt Invitational track and field meet here Friday night.

Decker, who broke immediately to the lead and never trailed, finished more than 11 seconds ahead of Ruth Wysocki, who defeated her at 1,500 meters in last July's Olympic trials.

"I don't think I have to do anything to re-establish myself," she said. "I feel I did that Friday night as a runner in this race. I think it's time for the press to tell the truth."

Decker contends that the media blew the incident out of proportion, calling some of the post-race accounts "totally fictional and unfair."

Wysocki, outspoken recently about Decker's reaction to the collision with Budd, remained firm in her belief that Decker over-reacted to the incident. She said she could not believe recent comments by Decker in which she now says she never blamed Budd.

"She was in control all the way," said Wysocki, who finished second far behind with a time of 5:45.93. "She knew what she wanted to do and she kept pouring it on."

"It's funny to me now that she says she didn't blame Zola," Wysocki said. "I have the videotape of the Olympics that I'd be glad to show her. But I really wish the whole matter would drop and blow over."

"I know what happened, and she knows what happened," Decker said of Budd.

In the night's closest event, Edna Coglan of Ireland edged Steve Scott, America's premier miller, by one-hundredth of a second to capture the mile in 3:56.34. New Zealand's John Walker finished third in 3:57.36.

■ 400-Meter Record Broken

Thomas Schönlebe of East Germany set a world best of 45.60 seconds in the 400 meters at the inaugural World Indoor track and field games Saturday night in Paris, United Press International reported.

Schönlebe, a 400-meter finalist outdoors at the 1983 World championships in Helsinki, improved the previous mark of 45.79 set by Antonio McKay of the United States on Feb. 11, 1984. Schönlebe's victory margin was five meters (5.47 yards) over Briton Todd Bennett and American Mark Rowe.

Meanwhile, in Johnson City, Tennessee, a world best for the men's indoor mile relay that stood since 1971 was bettered by three college teams at an invitational meet.

Auburn ran the mile in 3:08.23, shaving more than a second off the mark of 3:09.4 set by the Pacific Coast Track Club on Feb. 27, 1971. But less than an hour later, Villanova lowered the standard to 3:08.01. Manhattan College, with a 3:18.51 clocking, also bettered the 1971 clocking.

Mary Decker

"I was surprised how easy it was."

National Hockey League Standings

LANGUAGE

The Decoupling of Un-

By William Safire

WASHINGTON — Allaying Allied concerns about American space-defense plans, Secretary of Defense Caspar W. Weinberger said, "There's not the slightest possibility that America would be decoupled from Europe by the pursuit of this vital initiative."

A year before, Vice President George Bush used the verb in a similar alliance context, though somewhat more awkwardly. "The Soviet Union," he warned, "having already deployed sufficient missiles to intimidate Western Europe, is now trying to decouple our security from each other."

A few years ago, if you gave a free-association test to a diplomat, when you said *alliance* to a respondent *disarray*; now, the intimated linked word is *decouple*. The word is not brand-new — Science News was writing in 1970 that "the northeastern Pacific and the South Pacific were decoupled sometime during that period [the last 65 million years] — but it broke out in a rash of usages at the end of the 1970s. Astronomers liked it and spoke of radiation and matter decoupling just before the formation of supergalaxies; economists picked it up, writing of the decoupling of energy and economic growth; and in 1979, in a piece by Fred Kaplan in *The New York Times Magazine*, the word made its military-debut, in the context of suspicion that "America was decoupling" its own defense from that of NATO."

The verb *decouple* means "to separate, disjoin, unlink"; if you want an informal synonym, try *split up* or *part company*; for a surgical feel, use *sever*; or, if you want an offbeat word, *sunder*. *Divide* will even do the trick, if you are not hooked on the mechanical-linkage metaphor: if you are and like to use plain words, there's no need to pull the plug on *decouple*.

Why, then, the sudden popularity of *decouple*? Why, if *coupling* was so popular to alliance diplomats, was the much more familiar word *uncouple* overlooked? The last time anybody used *decouple* in English was in 1602, taken from the French *decoupler*; for centuries, it was *uncouple* in English, *decoupler* in French. What undid the *un*?

The answer is the *rise of the de-*: de- is prefixes what *-nik* was to suf-

fixes (*spumnik*, *beatnik*, *nogoodnik*, *freecenik*) and has surpassed the use of the suffix *-wise*, coinagewise. The prefix *de-* is now one of the hottest neologism-producers in the language. Its rival, *un-*, which only recently produced such locutions as *unpoor* and *unblock*, is on the decline, losing out to *non-* (in *nonbook*) and *de-*.

De- is a prefix that helps timid speakers out of a fix; it often offers a fix to those addicted to shyly averting their eyes from hard, abrasive words. Museum directors, fearful of provoking criticism from donors by doing something as straightforward as "selling," prefer to *de-accession*. When the obvious euphemism drew hoots, some curious curators launched *de-acquisition*, the backflipping language sweetener of the decade. The noun *acquisition* had long ago been formed from the verb *acquire*; the mortally-hung gang then proceeded to mortally prefix the noun, creating *de-acquisition*, first a noun and more recently a verb meaning "to sell, trade, or give the damn thing away, I won't have it hanging on my wall."

Naturally, when a method of euphemism becomes available, Washington soon snaps it up. Budgeters, who shy from gutsy verbs like *cut*, now croon unctuously about *defunding* programs. This sounds less harsh than *cutting off the money or drying up the resources*. However, *defund* has at least the merit of brevity, which is not the case in that other new bureaucratic favorite, *dejustify*.

"If you want to spend less, you have to dejustify and then get rid of programs," said Donald Moran, deputy at the Office of Management and Budget. The logic: to *fund* a program, you must *justify* it; to *defund* that program, you must first *dejustify* it. Verbs not considered in the budgetorium include *criticize*, *condemn*, *denounce*, *rehearse*, *attack*; phrases that did not make it include the coolheaded *argue against*, the laborious *demonstrate its unworkability* or the heated *show the whole thing to be a boondoggle*. If *dejustify* gets ridiculed out of existence, however, it will probably be replaced by *devinicate*; there's no stopping the prefix fixation, especially the rise of *de-*.

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New York Times Service

By Benedict Nightingale
New York Times Service

LONDON — Her Barbie Batchelor in the television version of Paul Scott's "Jewel in the Crown" and her Mrs. Moore in the film of E. M. Forster's "A Passage to India" seem to be achieving what her performances as Juliet and Cleopatra and scores of other major theatrical characters never quite did: demonstrating to millions that they have been overlooking one of the century's major actresses. They are making Peggy Ashcroft, at age 77, an internationally known name and face.

Mrs. Moore and Forster proved a challenge very different from Barbie and Scott, Ashcroft said. "Forster is, of course, a much more established writer than Scott, but it's debatable if he's a better one," she said. "If people in a hundred years want to understand a certain period of Indian history from the English point of view, they may find Scott the more satisfactory read. Forster is a very subjective writer, Scott a very objective one. There's a mystery in Forster's writing, which makes him interesting but also elusive."

"I found I could see Barbie very clearly, always wearing the same costume, with a plait at the front and pleat at the back. Mrs. Moore is more of an enigma. Like most of Forster's women, she's in some way a question mark."

Peggy Ashcroft's relative obscurity in the United States is not altogether surprising. It is nearly 40 years since she went to Broadway in Robert Morley's "Edward, My Son," and she has not appeared on the New York stage since. She apologetically explained that, "while I loved the amazing quickness of reaction of audiences over there, I've been so occupied in the theater here." But even in her native land she is not the celebrity she might be, considering that she is the country's senior theatrical dame, as the female equivalents of knights are called, and is regarded by most critics as highly as her old friend and frequent leading man, Sir John Gielgud.

Part of the reason is her reticence and love of privacy. She seldom gives interviews, explaining gently, "I'm not interested in myself, very." But the principal explanation is that all her most important work has been accomplished not before the cameras but on the more upscale sort of stage: the Old Vic, the Royal Shakespeare Company, the National Theatre — places catering more to the cognoscenti than to the crowds.

Yet here she is, enjoying an Indian summer with the public-at-large, all because she wanted a good, long book to take on a trip to Canada a few years back



Peggy Ashcroft as Mrs. Moore in "A Passage to India."

and a friend lent her Scott's "The Raj Quartet," from which the "The Jewel in the Crown" was eventually derived.

"I couldn't put it down. I became obsessed by it, and the trouble was I only had the first two volumes, so I couldn't wait to get home for the next two. And as soon as I did, I got a phone call asking if I'd make a film in India, with a script by Ruth Prawer Jhabvala."

"Well, I'd never thought a great deal about India. I'd never imagined I would go there, but I'd become so fascinated by it that I didn't even wait for the script to be completed. I read the treatment and accepted, and went and did the film, and it was a marvelous experience. I was absolutely overwhelmed by India."

That film was "Hullabaloo Over George and Bonnie's Pictures." Dame Peggy's part was an art collector in earnest pursuit of a maharajah's collection. The days she spent on location, combined with side trips to Agra and Gosh, left her determined to return to the subcontinent.

The chance came surprisingly quickly. Soon after her return to England she was walking past the entry desk at the National Theatre when she overheard one of its directors, Christopher Morahan, talking about his plans to make a television version of "The Raj Quartet." Suddenly Morahan found himself confronted by Dame Peggy at her most quietly formidable. "Is it true you're doing it?" "Well, yes." "If you don't have me in it I'll never

speak to you again." "Oh — what part would you like to play?" "Barbie."

Ashcroft, it was clear, had already speculated privately about which of three older female characters she might play. Lady Manners, mandarin rebel against the prejudices of British Raj? Mabel, senior member of the family at the center of the serial, the Levtons? Or Mabel's companion, the lowly former missionary, Barbie Batchelor?

"All the characters are wonderfully drawn, but that was, I realized, the one who interested me the most. She and Mrs. Moore are quite unlike each other except that they're two Christian women who come to doubt. And if Mrs. Moore hadn't died, I think she might have gone mad, like Barbie."

Mrs. Moore is one of the most important characters in "A Passage to India" — the friend and prospective mother-in-law of the English girl who accuses a young Indian doctor of attempting to rape her. Satyajit Ray had been interested in putting Forster's novel on the screen in the 1960s, and there were reports that he wanted to cast Ashcroft in the part; but the project fell through, as did a similar one later by Ismail Merchant.

David Lean prevailed where his predecessors had failed, and he, too, thought Ashcroft would make the perfect Mrs. Moore.

At first she demurred. Shooting "The Jewel in the Crown" had been exhausting. She had endured heat and thunderstorms and, at Simla, cold so acute that she had spent the time between takes in bed with a hot-water bottle.

"Then the ears in India, they always seem to break down. The tires burst, and they'd put on the spare, and that would go too. That happened three times, and once a car actually burst into flames. It was sometimes pretty hair-raising."

Yet her affection for the place was undiminished: "When you're in the midst of that excessive poverty, it's oppressive and distressing and even terrifying, but there's also an incredible patience and acceptance that gives you a different perspective, a different outlook on life, which I found very impressive."

There was also simply the chance to work with Lean and with Alan Guinness, who was to play the Hindu mystic, Professor Godbole. And an opportunity to give new life to a book she had, coincidentally, just finished rereading, an experience that confirmed her view that it was the finest of Forster's novels.

In Ashcroft's performance, the enigmatic Mrs. Moore indisputably becomes

flesh and feeling, a process Dame Peggy finds impossible to describe. There are individual moments she remembers well, such as Mrs. Moore's growing claustrophobia and terror in the Marabar Caves, where so much that is ominous and fateful in "A Passage to India" occurs. "It wasn't very difficult to feel that — because we were in a strange country, in a very dark place, with people packed tightly together, and it was a terribly hot day."

Morahan, producer and director of "The Jewel in the Crown," recalls Ashcroft's artistry with a kind of awe: "She has a really extraordinary intuitive ability to understand character, and a remarkable skill in being able to carry it into performance. Her imagination is matched by her creativity, she's absolutely incapable of a dishonest moment, and she's also very generous, giving so much to whoever she's acting with. She had the ability to draw on all her experience of life, all her imagination, and encompass the extraordinary range of Barbie."

Ashcroft has been provoking similar panegyrics in Britain since 1930, when she played Desdemona to Paul Robeson's Othello and was rapturously described by a leading critic as "a true woman opening the petals of her wonder and love to the African sunshine of her hero's triumph."

In the 1930s and '40s she went on to play a series of great Shakespearean roles: Portia, Imogen, Rosalind, Miranda, Ophelia, Titania. In 1950, her Cordelia was so touching that the actress playing Goneril was reduced to inappropriate tears right after.

But increasingly Ashcroft was demonstrating that her range went far beyond the sweetness, light and warmth so often associated with her. A blazing Electra was followed by a ravenous Cleopatra, and that was followed by a vixen, detestable and ridiculous, a rigorously honest dissection of an unromantic character.

"She can be enchantingly feminine," says Gielgud, who has directed and played opposite her, "yet turn and play monstrous, villainous people, parts you wouldn't think her right for." She admits that she loves playing "bitches" women like Queen Margaret, in whose guise she did some spectacularly brutal deeds in a famous Stratford production of "Henry VI" in 1963. Yet even there she was true to one of her main articles of acting faith, which is that "you show people in all their weakness and beastliness, yes, but you have to try to put yourself in their position, too. I don't think artists should make judgments on the characters they play."

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